

109TH CONGRESS
1ST SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

introduced the following bill; which was read twice and
referred to the Committee on _____

A BILL

To reauthorize the Workforce Investment Act of 1998, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Workforce Investment
5 Act Amendments of 2005”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. References.

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE
INVESTMENT ACT OF 1998

Subtitle A—Definitions

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Sec. 101. Definitions.

Subtitle B—Statewide and Local Workforce Investment Systems

Sec. 111. Purpose.

Sec. 112. State workforce investment boards.

Sec. 113. State plan.

Sec. 114. Local workforce investment areas.

Sec. 115. Local workforce investment boards.

Sec. 116. Local plan.

Sec. 117. Establishment of one-stop delivery systems.

Sec. 118. Eligible providers of training services.

Sec. 119. Eligible providers of youth activities.

Sec. 120. Youth activities.

Sec. 121. Adult and dislocated worker employment and training activities.

Sec. 122. Performance accountability system.

Sec. 123. Authorization of appropriations.

Subtitle C—Job Corps

Sec. 131. Job Corps.

Subtitle D—National Programs

Sec. 141. Native American programs.

Sec. 142. Migrant and seasonal farmworker programs.

Sec. 143. Veterans' workforce investment programs.

Sec. 144. Youth challenge grants.

Sec. 145. Technical assistance.

Sec. 146. Demonstration, pilot, multiservice, research, and multistate projects.

Sec. 147. National dislocated worker grants.

Sec. 148. Authorization of appropriations for national activities.

Subtitle E—Administration

Sec. 151. Requirements and restrictions.

Sec. 152. Reports.

Sec. 153. Administrative provisions.

Sec. 154. Use of certain real property.

Sec. 155. Table of contents.

Subtitle F—Incentive Grants

Sec. 161. Incentive grants.

Subtitle G—Conforming Amendments

Sec. 171. Conforming amendments.

TITLE II—AMENDMENTS TO THE ADULT EDUCATION AND
FAMILY LITERACY ACT

Sec. 201. Short title; purpose.

Sec. 202. Definitions.

Sec. 203. Authorization of appropriations.

Sec. 204. Home schools.

Sec. 205. Reservation of funds; grants to eligible agencies; allotments.

Sec. 206. Performance accountability system.

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- Sec. 207. State administration.
- Sec. 208. State distribution of funds; matching requirement.
- Sec. 209. State leadership activities.
- Sec. 210. State plan.
- Sec. 211. Programs for corrections education and other institutionalized individuals.
- Sec. 212. Grants and contracts for eligible providers.
- Sec. 213. Local application.
- Sec. 214. Local administrative cost limits.
- Sec. 215. Administrative provisions.
- Sec. 216. National Institute for Literacy.
- Sec. 217. National leadership activities.
- Sec. 218. Integrated English literacy and civics education.
- Sec. 219. Transition.

TITLE III—AMENDMENTS TO OTHER PROVISIONS OF LAW

- Sec. 301. Wagner-Peyser Act.

TITLE IV—REHABILITATION ACT AMENDMENTS

- Sec. 401. Short title.
- Sec. 402. Technical amendments to table of contents.
- Sec. 403. Purpose.
- Sec. 404. Definitions.
- Sec. 405. Administration of the Act.
- Sec. 406. Reports.
- Sec. 407. Carryover.

Subtitle A—Vocational Rehabilitation Services

- Sec. 411. Declaration of policy; authorization of appropriations.
- Sec. 412. State plans.
- Sec. 413. Eligibility and individualized plan for employment.
- Sec. 414. Vocational rehabilitation services.
- Sec. 415. State rehabilitation council.
- Sec. 416. Evaluation standards and performance indicators.
- Sec. 417. Monitoring and review.
- Sec. 418. State allotments.
- Sec. 419. Reservation for expanded transition services.
- Sec. 420. Client assistance program.
- Sec. 421. Incentive grants.
- Sec. 422. Vocational rehabilitation services grants.
- Sec. 423. GAO studies.

Subtitle B—Research and Training

- Sec. 431. Declaration of purpose.
- Sec. 432. Authorization of appropriations.
- Sec. 433. National Institute on Disability and Rehabilitation Research.
- Sec. 434. Interagency committee.
- Sec. 435. Research and other covered activities.
- Sec. 436. Rehabilitation Research Advisory Council.

Subtitle C—Professional Development and Special Projects and Demonstrations

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- Sec. 441. Training.
- Sec. 442. Demonstration and training programs.
- Sec. 443. Migrant and seasonal farmworkers.
- Sec. 444. Recreational programs.

Subtitle D—National Council on Disability

- Sec. 451. Authorization of appropriations.

Subtitle E—Rights and Advocacy

- Sec. 461. Architectural and Transportation Barriers Compliance Board.
- Sec. 462. Protection and advocacy of individual rights.

Subtitle F—Employment Opportunities for Individuals With Disabilities

- Sec. 471. Projects with industry.
- Sec. 472. Projects with industry authorization of appropriations.
- Sec. 473. Services for individuals with significant disabilities authorization of appropriations.

Subtitle G—Independent Living Services and Centers for Independent Living

- Sec. 481. State plan.
- Sec. 482. Statewide Independent Living Council.
- Sec. 483. Independent living services authorization of appropriations.
- Sec. 484. Program authorization.
- Sec. 485. Grants to centers for independent living in States in which Federal funding exceeds State funding.
- Sec. 486. Grants to centers for independent living in States in which State funding equals or exceeds Federal funding.
- Sec. 487. Standards and assurances for centers for independent living.
- Sec. 488. Centers for independent living authorization of appropriations.
- Sec. 489. Independent living services for older individuals who are blind.
- Sec. 490. Program of grants.
- Sec. 491. Independent living services for older individuals who are blind authorization of appropriations.

Subtitle H—Miscellaneous

- Sec. 495. Helen Keller National Center Act.
- Sec. 496. Randolph-Sheppard Act

TITLE V—TRANSITION AND EFFECTIVE DATE

- Sec. 501. Transition provisions.
- Sec. 502. Effective date.

1 SEC. 3. REFERENCES.

2 Except as otherwise expressly provided, wherever in
 3 this Act an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-
 5 sion, the reference shall be considered to be made to a

1 section or other provision of the Workforce Investment Act
2 of 1998 (29 U.S.C. 2801 et seq.).

3 **TITLE I—AMENDMENTS TO**
4 **TITLE I OF THE WORKFORCE**
5 **INVESTMENT ACT OF 1998**
6 **Subtitle A—Definitions**

7 **SEC. 101. DEFINITIONS.**

8 Section 101 (29 U.S.C. 2801) is amended—

9 (1) by redesignating paragraphs (1) through
10 (4), (5) through (16), (17), (18) through (41), and
11 (42) through (53) as paragraphs (2) through (5),
12 (7) through (18), (20), (23) through (46), and (48)
13 through (59), respectively;

14 (2) by inserting before paragraph (2) (as redes-
15 ignated by paragraph (1)) the following:

16 “(1) ACCRUED EXPENDITURES.—The term ‘ac-
17 crued expenditures’ means charges incurred by re-
18 cipients of funds under this title for a given period
19 requiring the provision of funds for—

20 “(A) goods or other tangible property re-
21 ceived;

22 “(B) services performed by employees, con-
23 tractors, subgrantees, subcontractors, and other
24 payees; and

1 “(C) other amounts becoming owed under
2 programs assisted under this title for which no
3 current services or performance is required,
4 such as annuities, insurance claims, and other
5 benefit payments.”;

6 (3) in paragraph (2) (as redesignated by para-
7 graph (1)), by striking “Except in sections 127 and
8 132,” and inserting “Except in section 132,”;

9 (4) by striking paragraph (5) (as redesignated
10 by paragraph (1)) and inserting the following:

11 “(5) BASIC SKILLS DEFICIENT.—The term
12 ‘basic skills deficient’ means, with respect to an indi-
13 vidual, that the individual—

14 “(A) has English reading, writing, or com-
15 puting skills at or below the 8th grade level on
16 a generally accepted standardized test or a com-
17 parable score on a criterion-referenced test; or

18 “(B) is unable to compute or solve prob-
19 lems, read, write, or speak English at a level
20 necessary to function on the job, in the individ-
21 ual’s family, or in society.”;

22 (5) by inserting after paragraph (5) (as redesign-
23 ated by paragraph (1)) the following:

24 “(6) BUSINESS INTERMEDIARY.—The term
25 ‘business intermediary’ means an entity that brings

1 together various stakeholders with an expertise in an
2 industry or business sector.”;

3 (6) in paragraph (9) (as redesignated by para-
4 graph (1)), by inserting “, including a faith-based
5 organization,” after “nonprofit organization”;

6 (7) in paragraph (10) (as redesignated by para-
7 graph (1))—

8 (A) in subparagraph (B), by striking
9 “and” after the semicolon;

10 (B) in subparagraph (C)—

11 (i) by striking “for not less than 50
12 percent of the cost of the training.” and
13 inserting “for—

14 “(i) a significant portion of the cost of
15 training as determined by the local board,
16 taking into account the size of the em-
17 ployer and such other factors as the local
18 board determines to be appropriate; and

19 “(ii) in the case of customized train-
20 ing (as defined in subparagraphs (A) and
21 (B)) with an employer in multiple local
22 areas in the State, a significant portion of
23 the cost of the training, as determined by
24 the Governor, taking into account the size
25 of the employer and such other factors as

1 the Governor determines to be appro-
2 priate.”;

3 (8) in paragraph (11) (as redesignated by para-
4 graph (1))—

5 (A) in subparagraph (A)(ii)(II), by striking
6 “section 134(c)” and inserting “section
7 121(e)”;

8 (B) in subparagraph (C), by striking “or”
9 after the semicolon;

10 (C) in subparagraph (D), by striking the
11 period and inserting “; or”; and

12 (D) by adding at the end the following:

13 “(E)(i) is the spouse of a member of the
14 Armed Forces on active duty for a period of
15 more than 30 days (as defined in section
16 101(d)(2) of title 10, United States Code) who
17 has experienced a loss of employment as a di-
18 rect result of relocation to accommodate a per-
19 manent change in duty station of such member;
20 or

21 “(ii) is the spouse of a member of the
22 Armed Forces on active duty who meets the cri-
23 teria described in paragraph (12)(B).”;

24 (9) in paragraph (12)(A) (as redesignated by
25 paragraph (1))—

1 (A) by striking “and” after the semicolon
2 and inserting “or”;

3 (B) by striking “(A)” and inserting
4 “(A)(i)”; and

5 (C) by adding at the end the following:

6 “(ii) is the dependent spouse of a member
7 of the Armed Forces on active duty for a period
8 of more than 30 days (as defined in section
9 101(d)(2) of title 10, United States Code)
10 whose family income is significantly reduced be-
11 cause of a deployment (as defined in section
12 991(b) of title 10, United States Code, or pur-
13 suant to paragraph (4) of such section), a call
14 or order to active duty pursuant to a provision
15 of law referred to in section 101(a)(13)(B) of
16 title 10, United States Code, a permanent
17 change of station, or the service-connected (as
18 defined in section 101(16) of title 38, United
19 States Code) death or disability of the member;
20 and”;

21 (10) in paragraph (14)(A) (as redesignated by
22 paragraph (1)), by striking “section 122(e)(3)” and
23 inserting “section 122”;

24 (11) by inserting after paragraph (18) (as re-
25 designated by paragraph (1)) the following:

1 “(19) HARD-TO-SERVE POPULATIONS.—The
2 term ‘hard-to-serve populations’ means populations
3 of individuals who are hard to serve, including dis-
4 placed homemakers, low-income individuals, Native
5 Americans, individuals with disabilities, older indi-
6 viduals, ex-offenders, homeless individuals, individ-
7 uals with limited English proficiency, individuals
8 who do not meet the definition of literacy in section
9 203, individuals facing substantial cultural barriers,
10 migrant and seasonal farmworkers, individuals with-
11 in 2 years of exhausting lifetime eligibility under
12 part A of title IV of the Social Security Act (42
13 U.S.C. 601 et seq.), single parents (including single
14 pregnant women), and such other groups as the
15 Governor determines to be hard to serve.”;

16 (12) by inserting after paragraph (20) (as re-
17 designated by paragraph (1)) the following:

18 “(21) INTEGRATED TRAINING PROGRAM.—The
19 term ‘integrated training program’ means a program
20 that combines occupational skills training with
21 English language acquisition.

22 “(22) INSTITUTION OF HIGHER EDUCATION.—
23 The term ‘institution of higher education’ has the
24 meaning given the term in section 101(a), and sub-
25 paragraphs (A) and (B) of section 102(a)(1), of the

1 Higher Education Act of 1965 (20 U.S.C. 1001(a),
2 1002(a)(1)).”;

3 (13) in paragraph (30) (as redesignated by
4 paragraph (1))—

5 (A) by redesignating subparagraphs (D)
6 through (F) as subparagraphs (E) through (G),
7 respectively; and

8 (B) by inserting after subparagraph (C)
9 the following:

10 “(D) receives or is eligible to receive a free
11 or reduced price lunch under the Richard B.
12 Russell National School Lunch Act (42 U.S.C.
13 1751 et seq.);”;

14 (14) in paragraph (31) (as redesignated by
15 paragraph (1)), by inserting after “fields of work”
16 the following: “, including occupations in computer
17 science and technology and other emerging high-skill
18 occupations,”;

19 (15) in paragraph (35) (as redesignated by
20 paragraph (1)), by inserting “, subject to section
21 121(b)(1)(C)” after “121(b)(1)”;

22 (16) by striking paragraph (38) (as redesign-
23 nated by paragraph (1)) and inserting the following:

1 “(38) OUT-OF-SCHOOL YOUTH.—The term ‘out-
2 of-school youth’ means an out-of-school youth as de-
3 fined in section 129(a)(1)(B).”;

4 (17) by inserting after paragraph (46) (as re-
5 designated by paragraph (1)) the following:

6 “(47) SELF-SUFFICIENCY.—The term ‘self-suf-
7 ficiency’ means self-sufficiency within the meaning
8 of subsections (a)(3)(A)(x) and (e)(1)(A)(xii) of sec-
9 tion 134.”;

10 (18) in paragraph (49) (as redesignated by
11 paragraph (1)), by striking “clause (iii) or (v) of
12 section 136(b)(3)(A)” and inserting “section
13 136(b)(3)(A)(iii)”;

14 (19) in paragraph (58) (as redesignated by
15 paragraph (1)), by striking “(or as described in sec-
16 tion 129(c)(5))” and inserting “(or as described in
17 section 129(a)(2))”; and

18 (20) in paragraph (59) (as redesignated by
19 paragraph (1)), by striking “established under sec-
20 tion 117(h)” and inserting “that may be established
21 under section 117(h)(2)”.

1 **Subtitle B—Statewide and Local**
2 **Workforce Investment Systems**

3 **SEC. 111. PURPOSE.**

4 Section 106 (29 U.S.C. 2811) is amended to read as
5 follows:

6 **“SEC. 106. PURPOSES.**

7 “The purposes of this subtitle are the following:

8 “(1)(A) Primarily, to provide workforce invest-
9 ment activities, through statewide and local work-
10 force investment systems, that increase the employ-
11 ment, retention, self-sufficiency, and earnings of
12 participants, and increase occupational skill attain-
13 ment by participants.

14 “(B) As a result of the provision of the activi-
15 ties, to improve the quality of the workforce, reduce
16 welfare dependency, increase self-sufficiency, and en-
17 hance the productivity and competitiveness of the
18 Nation.

19 “(2) To enhance the workforce investment sys-
20 tem of the Nation by strengthening one-stop centers,
21 providing for more effective governance arrange-
22 ments, promoting access to a more comprehensive
23 array of employment and training and related serv-
24 ices, establishing a targeted approach to serving

1 youth, improving performance accountability, and
2 promoting State and local flexibility.

3 “(3) To provide workforce investment activities
4 in a manner that promotes the informed choice of
5 participants and actively involves participants in de-
6 cisions affecting their participation in such activities.

7 “(4) To provide workforce investment systems
8 that are demand-driven and responsive to the needs
9 of all employers, including small employers.

10 “(5) To provide workforce investment systems
11 that work in all areas of the Nation, including urban
12 and rural areas.

13 “(6) To allow flexibility to meet State, local, re-
14 gional, and individual workforce investment needs.

15 “(7) To recognize and reinforce the vital link
16 between economic development and workforce invest-
17 ment activities.

18 “(8) To provide for accurate data collection, re-
19 porting, and performance measures that are not un-
20 duly burdensome.

21 “(9) To address the ongoing shortage of essen-
22 tial skills in the United States workforce related to
23 both manufacturing and knowledge-based economies
24 to ensure that the United States remains competi-
25 tive in the global economy.

1 “(10) To equip workers with higher skills and
2 contribute to lifelong education.

3 “(11) To eliminate training disincentives for
4 hard-to-serve populations and minority workers, in-
5 cluding effectively utilizing community programs,
6 services, and agencies.

7 “(12) To educate limited English proficient in-
8 dividuals about skills and language so the individ-
9 uals are employable.

10 “(13) To increase the employment, retention
11 and earnings of individuals with disabilities.”.

12 **SEC. 112. STATE WORKFORCE INVESTMENT BOARDS.**

13 (a) MEMBERSHIP.—

14 (1) IN GENERAL.—Section 111(b) (29 U.S.C.
15 2821(b)) is amended—

16 (A) in paragraph (1), by striking subpara-
17 graph (C) and inserting the following:

18 “(C) representatives appointed by the Gov-
19 ernor, who—

20 “(i) are the lead State agency officials
21 with responsibility for the programs and
22 activities that are described in section
23 121(b) and carried out by one-stop part-
24 ners, except that—

1 “(I) in any case in which no lead
2 State agency official has responsibility
3 for such a program or activity, the
4 representative shall be a representa-
5 tive in the State with expertise relat-
6 ing to such program or activity; and

7 “(II) in the case of the programs
8 authorized under title I of the Reha-
9 bilitation Act of 1973 (29 U.S.C. 720
10 et seq.), the representative shall be
11 the director of the designated State
12 unit, as defined in section 7 of the Re-
13 habilitation Act of 1973 (29 U.S.C.
14 705);

15 “(ii) are the State agency officials re-
16 sponsible for economic development;

17 “(iii) are representatives of business
18 in the State, including small businesses,
19 who—

20 “(I) are owners of businesses,
21 chief executive or operating officers of
22 businesses, or other business execu-
23 tives or employers with optimum pol-
24 icymaking or hiring authority;

1 “(II) represent businesses with
2 employment opportunities that reflect
3 employment opportunities in the
4 State; and

5 “(III) are appointed from among
6 individuals nominated by State busi-
7 ness organizations, business trade as-
8 sociations, and local boards;

9 “(iv) are chief elected officials (rep-
10 resenting cities and counties, where appro-
11 priate);

12 “(v) are representatives of labor orga-
13 nizations, who have been nominated by
14 State labor federations; and

15 “(vi) are such other State agency offi-
16 cials and other representatives as the Gov-
17 ernor may designate.”; and

18 (B) in paragraph (3), by striking “para-
19 graph (1)(C)(i)” and inserting “paragraph
20 (1)(C)(iii)”.

21 (2) CONFORMING AMENDMENT.—Section
22 111(c) (29 U.S.C. 2821(c)) is amended by striking
23 “subsection (b)(1)(C)(i)” and inserting “subsection
24 (b)(1)(C)(iii)”.

1 (b) FUNCTIONS.—Section 111(d) (29 U.S.C.
2 2821(d)) is amended—

3 (1) in paragraph (1), by striking “development”
4 and inserting “development, implementation, and re-
5 vision”;

6 (2) in paragraph (2), by striking “section
7 134(c)” and inserting “section 121(e)”;

8 (3) by striking paragraph (3) and inserting the
9 following:

10 “(3) reviewing and providing comment on the
11 State plans of all one-stop partner programs, where
12 applicable, in order to provide effective strategic
13 leadership in the development of a high quality, com-
14 prehensive statewide workforce investment system,
15 including commenting at least once annually on the
16 measures taken pursuant to section 113(b)(3) of the
17 Carl D. Perkins Vocational and Technical Education
18 Act of 1998 (20 U.S.C. 2323(b)(3)) and title II of
19 this Act;”;

20 (4) by redesignating paragraphs (4) through
21 (9) as paragraphs (5) through (10), respectively;

22 (5) by inserting after paragraph (3) the fol-
23 lowing:

24 “(4) development and review of statewide poli-
25 cies affecting the coordinated provision of services

1 through the one-stop delivery systems described in
2 section 121(e) within the State, including—

3 “(A) the development of objective criteria
4 and procedures for use by local boards in as-
5 sessing the effectiveness and continuous im-
6 provement of one-stop centers under section
7 121(g);

8 “(B) the development of guidance for the
9 allocation of one-stop center infrastructure
10 funds under section 121(h)(1)(B);

11 “(C) the development of—

12 “(i) statewide policies relating to the
13 appropriate roles and contributions of one-
14 stop partner programs within the one-stop
15 delivery system, including approaches to
16 facilitating equitable and efficient cost allo-
17 cation in the one-stop delivery system;

18 “(ii) statewide strategies for providing
19 effective outreach to individuals, including
20 hard-to-serve populations, and employers
21 who could benefit from services provided
22 through the one-stop delivery system; and

23 “(iii) strategies for technology im-
24 provements to facilitate access to services
25 provided through the one-stop delivery sys-

1 tem, in remote areas, and for individuals
2 with disabilities, which may be utilized
3 throughout the State;

4 “(D) identification and dissemination of
5 information on best practices for effective oper-
6 ation of one-stop centers, including use of inno-
7 vative business outreach, partnerships, and
8 service delivery strategies, including for hard-to-
9 serve populations; and

10 “(E) conduct of such other matters as may
11 promote statewide objectives for, and enhance
12 the performance of, the one-stop delivery sys-
13 tems;”;

14 (6) in paragraph (5) (as redesignated by para-
15 graph (4)), by inserting “and the development of
16 statewide criteria to be used by chief elected officials
17 for the appointment of local boards consistent with
18 section 117” after “section 116”;

19 (7) in paragraph (6) (as redesignated by para-
20 graph (4)), by striking “sections 128(b)(3)(B) and
21 133(b)(3)(B)” and inserting “sections 128(b)(3) and
22 133(b)(3)(B)”;

23 (8) in paragraph (9) (as redesignated by para-
24 graph (4))—

1 (A) by striking “employment statistics sys-
2 tem” and inserting “workforce and labor mar-
3 ket information system”; and

4 (B) by striking “and” after the semicolon;
5 (9) in paragraph (10) (as redesignated by para-
6 graph (4))—

7 (A) by striking “section 503” and insert-
8 ing “section 136(i)(1)”; and

9 (B) by striking the period and inserting “;
10 and”; and

11 (10) by adding at the end the following:

12 “(11) increasing the availability of skills train-
13 ing, employment opportunities, and career advance-
14 ment, for hard-to-serve populations.”.

15 (c) ALTERNATIVE ENTITY.—Section 111(e) (29
16 U.S.C. 2821(e)) is amended—

17 (1) in paragraph (1), by striking “For” and in-
18 serting “Subject to paragraph (3), for”; and

19 (2) by adding at the end the following:

20 “(3) FAILURE TO MEET PERFORMANCE MEAS-
21 URES.—If a State fails to have performed success-
22 fully, as defined in section 116(a)(2), the Secretary
23 may require the State to establish a State board in
24 accordance with subsections (a), (b), and (c) in lieu

1 of the alternative entity established under paragraph
2 (1).”.

3 (d) SUNSHINE PROVISION.—Section 111(g) (29
4 U.S.C. 2821(g)) is amended—

5 (1) by inserting “, and modifications to the
6 State plan,” before “prior”; and

7 (2) by inserting “, and modifications to the
8 State plan” after “the plan”.

9 (e) AUTHORITY TO HIRE STAFF.—Section 111 (29
10 U.S.C. 2821) is amended by adding at the end the fol-
11 lowing:

12 “(h) AUTHORITY TO HIRE STAFF.—The State board
13 may hire staff to assist in carrying out the functions de-
14 scribed in subsection (d) using funds allocated under sec-
15 tions 127(b)(1)(C) and 132(b).”.

16 **SEC. 113. STATE PLAN.**

17 (a) PLANNING CYCLE.—Section 112(a) (29 U.S.C.
18 2822(a)) is amended—

19 (1) by striking “5-year strategy” and inserting
20 “4-year strategy”; and

21 (2) by adding at the end the following: “At the
22 end of the first 2-year period of the 4-year State
23 plan, the State board shall review and, as needed,
24 amend the 4-year State plan to reflect labor market
25 and economic conditions. In addition, the State shall

1 submit a modification to the State plan at the end
2 of the first 2-year period of the State plan, which
3 may include redesignation of local areas pursuant to
4 section 116(a) and specification of the levels of per-
5 formance under sections 136 for the third and
6 fourth years of the plan.”.

7 (b) CONTENTS.—Section 112(b) (29 U.S.C. 2822(b))
8 is amended—

9 (1) in paragraph (8)(A)—

10 (A) in clause (ix), by striking “and” after
11 the semicolon; and

12 (B) by adding at the end the following:

13 “(xi) programs authorized under title II of
14 the Social Security Act (42 U.S.C. 401 et seq.)
15 (relating to Federal old-age, survivors, and dis-
16 ability insurance benefits), title XVI of such Act
17 (42 U.S.C. 1381 et seq.) (relating to supple-
18 mental security income), title XIX of such Act
19 (42 U.S.C. 1396 et seq.) (relating to medicaid),
20 and title XX of such Act (42 U.S.C. 1397 et
21 seq.) (relating to block grants to States for so-
22 cial services), programs authorized under title
23 VII of the Rehabilitation Act of 1973 (29
24 U.S.C. 796 et seq.), and programs carried out

1 by State agencies relating to mental retardation
2 and developmental disabilities; and”;

3 (2) by striking paragraph (10) and inserting
4 the following:

5 “(10) a description of how the State will use
6 funds the State received under this subtitle to lever-
7 age other Federal, State, local, and private re-
8 sources, in order to maximize the effectiveness of
9 such resources, expand resources for the provision of
10 education and training services, and expand the par-
11 ticipation of businesses, employees, and individuals
12 in the statewide workforce investment system, in-
13 cluding a description of incentives and technical as-
14 sistance the State will provide to local areas for such
15 purposes;”;

16 (3) in paragraph (12)(A), by striking “sections
17 128(b)(3)(B) and 133(b)(3)(B)” and inserting “sec-
18 tions 128(b)(3) and 133(b)(3)(B)”;

19 (4) in paragraph (14), by striking “section
20 134(c)” and inserting “section 121(e)”;

21 (5) in paragraph (15), by striking “section
22 116(a)(5)” and inserting “section 116(a)(4)”;

23 (6) in paragraph (17)—

24 (A) in subparagraph (A)—

25 (i) in clause (iii)—

1 (I) by inserting “local” before
2 “customized training”; and

3 (II) by striking “and” at the end;
4 (ii) in clause (iv), by striking “(includ-
5 ing displaced homemakers),” and all that
6 follows through “disabilities)” and insert-
7 ing “, hard-to-serve populations, and indi-
8 viduals training for nontraditional employ-
9 ment”; and

10 (iii) by adding after clause (iv) the
11 following:

12 “(v) how the State will serve the em-
13 ployment and training needs of individuals
14 with disabilities, consistent with section
15 188 and Executive Order 13217 (42
16 U.S.C. 12131 note; relating to community-
17 based alternatives for individuals with dis-
18 abilities), including the provision of out-
19 reach, intake, the conduct of assessments,
20 service delivery, the development of adjust-
21 ments to performance measures established
22 under section 136, and the training of
23 staff; and”; and

24 (B) in subparagraph (B), by striking
25 “and” at the end;

1 (7) in paragraph (18)(D)—

2 (A) by striking “youth opportunity grants
3 under section 169” and inserting “youth chal-
4 lenge grants authorized under section 169 and
5 other federally funded youth programs”; and

6 (B) by striking the period and inserting a
7 semicolon; and

8 (8) by adding at the end the following:

9 “(19) a description of how the State will utilize
10 technology to facilitate access to services in remote
11 areas, which may be utilized throughout the State;

12 “(20) a description of the State strategy for co-
13 ordinating workforce investment activities and eco-
14 nomic development activities;

15 “(21) a description of the State strategy and
16 assistance to be provided for ensuring regional co-
17 operation within the State and across State borders
18 as appropriate;

19 “(22) a description of how the State will use
20 funds the State receives under this subtitle to—

21 “(A) implement innovative programs and
22 strategies designed to meet the needs of all
23 businesses in the State, including small busi-
24 nesses, which may include incumbent worker
25 training programs, sectoral and industry cluster

1 strategies, regional skills alliances, career ladder
2 programs, utilization of effective business inter-
3 mediaries, and other business services and
4 strategies that better engage employers in
5 workforce investment activities and make the
6 statewide workforce investment system more
7 relevant to the needs of State and local busi-
8 nesses, consistent with the objectives of this
9 title; and

10 “(B) provide incentives and technical as-
11 sistance to assist local areas in more fully en-
12 gaging all employers, including small employers,
13 in local workforce investment activities, to make
14 the workforce investment system more relevant
15 to the needs of area businesses, and to better
16 coordinate workforce investment and economic
17 development efforts to contribute to the eco-
18 nomic well-being of the local area, as deter-
19 mined appropriate by the local board;

20 “(23) a description of the State strategy—

21 “(A) for ensuring cooperation between
22 transportation providers, including public trans-
23 portation providers, and providers of workforce
24 investment activities; and

1 “(B) for ensuring coordination among ap-
2 propriate State agencies and programs to make
3 available skills training, employment services
4 and opportunities, and career advancement ac-
5 tivities, that will assist ex-offenders in reen-
6 tering the workforce;

7 “(24) a description of how the State will assist
8 local areas in assuring physical and programmatic
9 accessibility for individuals with disabilities at one-
10 stop centers;

11 “(25) a description of the process and method-
12 ology that will be used by the State board to—

13 “(A) review statewide policies and provide
14 guidance on the coordinated provision of serv-
15 ices through the one-stop delivery system de-
16 scribed in section 121;

17 “(B) establish, in consultation with chief
18 elected officials and local boards, objective cri-
19 teria and procedures for use by local boards in
20 periodically assessing the effectiveness, physical
21 and programmatic accessibility, and continuous
22 improvement of one-stop centers and one-stop
23 delivery systems as described in section 121(g);
24 and

25 “(C) determine—

1 “(i) one-stop partner program con-
2 tributions for the costs of the infrastruc-
3 ture of one-stop centers under section
4 121(h)(2); and

5 “(ii) the formula for allocating the
6 funds described in section 121(h)(2) to
7 local areas;

8 “(26) a description of the State strategy for en-
9 suring that activities carried out under this title are
10 placing men and women in jobs, education, or train-
11 ing that lead to comparable pay; and

12 “(27) a description of the technical assistance
13 available to one-stop operators and providers of
14 training services for strategies to serve hard-to-serve
15 populations and promote placement in nontraditional
16 employment.”.

17 (c) MODIFICATIONS TO PLAN.—Section 112(d) (29
18 U.S.C. 2822(d)) is amended—

19 (1) by striking “5-year period” and inserting
20 “4-year period”; and

21 (2) by adding at the end the following: “In ad-
22 dition, the State shall submit the modifications to
23 the State plan required under subsection (a), under
24 circumstances prescribed by the Secretary that are

1 due to changes in Federal law that significantly af-
2 fect elements of the State plan.”.

3 **SEC. 114. LOCAL WORKFORCE INVESTMENT AREAS.**

4 (a) DESIGNATION OF AREAS.—

5 (1) CONSIDERATIONS.—Section 116(a)(1) (29
6 U.S.C. 2831(a)(1)) is amended—

7 (A) in subparagraph (A), by striking
8 “paragraphs (2), (3), and (4)” and inserting
9 “paragraphs (2) and (3)”; and

10 (B) in subparagraph (B), by adding at the
11 end the following:

12 “(vi) The extent to which such local
13 areas will promote maximum effectiveness
14 in the administration and provision of serv-
15 ices.”.

16 (2) AUTOMATIC DESIGNATION.—Section
17 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to
18 read as follows:

19 “(2) AUTOMATIC DESIGNATION.—

20 “(A) IN GENERAL.—The Governor shall
21 approve a request for designation as a local
22 area that is submitted prior to the submission
23 of the State plan, or of a modification to the
24 State plan relating to area designation, from
25 any area that—

1 “(i) is a unit of general local govern-
2 ment with a population of 500,000 or
3 more, except that after the initial 2-year
4 period following such designation pursuant
5 to this clause that occurs after the date of
6 enactment of the Workforce Investment
7 Act Amendments of 2005, the Governor
8 shall only be required to approve a request
9 for designation from such area if such
10 area—

11 “(I) performed successfully; and

12 “(II) sustained fiscal integrity;

13 “(ii) was a local area under this title
14 for the preceding 2-year period, if such
15 local area—

16 “(I) performed successfully; and

17 “(II) sustained fiscal integrity;

18 “(iii) is served by a rural concentrated
19 employment program grant recipient, ex-
20 cept that after the initial 2-year period fol-
21 lowing any such designation under the ini-
22 tial State plan submitted after the date of
23 enactment of the Workforce Investment
24 Act Amendments of 2005, the Governor
25 shall only be required to approve a request

1 for designation under this clause for such
2 area if such area—

3 “(I) performed successfully; and

4 “(II) sustained fiscal integrity; or

5 “(iv) was a local area under section
6 116(a)(2)(C) (as in effect on the day be-
7 fore the date of enactment of the Work-
8 force Investment Act Amendments of
9 2005), except that after the initial 2-year
10 period following such designation pursuant
11 to this clause that occurs after that date of
12 enactment, the Governor shall only be re-
13 quired to approve a request for designation
14 under this clause for such area if such
15 area—

16 “(I) performed successfully; and

17 “(II) sustained fiscal integrity.

18 “(B) DEFINITIONS.—For purposes of this
19 paragraph:

20 “(i) PERFORMED SUCCESSFULLY.—

21 The term ‘performed successfully’, when
22 used with respect to a local area, means
23 the local area performed at 80 percent or
24 more of the adjusted level of performance
25 for core indicators of performance de-

1 scribed in section 136(b)(2)(A) for 2 con-
2 secutive years.

3 “(ii) SUSTAINED FISCAL INTEG-
4 RITY.—The term ‘sustained fiscal integ-
5 rity’, used with respect to an area, means
6 that the Secretary has not made a formal
7 determination during the preceding 2-year
8 period that either the grant recipient or
9 the administrative entity of the area
10 misexpended funds provided under this
11 title due to willful disregard of the require-
12 ments of the Act involved, gross neg-
13 ligence, or failure to comply with accepted
14 standards of administration.”.

15 (3) CONFORMING AMENDMENTS.—Section
16 116(a) (29 U.S.C. 2831(a)) is amended—

17 (A) by striking paragraph (3);

18 (B) by redesignating paragraphs (4) and
19 (5) as paragraph (3) and (4), respectively;

20 (C) in paragraph (3) (as redesignated by
21 subparagraph (B))—

22 (i) by striking “(including temporary
23 designation)”; and

24 (ii) by striking “(v)” and inserting
25 “(vi)”; and

1 (D) in paragraph (4) (as redesignated by
2 subparagraph (B))—

3 (i) by striking “under paragraph (2)
4 or (3)” and inserting “under paragraph
5 (2)”; and

6 (ii) by striking the second sentence.

7 (b) SINGLE LOCAL AREA STATES.—Section 116(b)
8 (29 U.S.C. 2831(b)) is amended to read as follows:

9 “(b) SINGLE LOCAL AREA STATES.—

10 “(1) CONTINUATION OF PREVIOUS DESIGNA-
11 TION.—Notwithstanding subsection (a)(2), the Gov-
12 ernor of any State that was a single local area for
13 purposes of this title as of July 1, 2002, may con-
14 tinue to designate the State as a single local area for
15 purposes of this title if the Governor identifies the
16 State as a local area in the State plan under section
17 112(b)(5).

18 “(2) REDESIGNATION.—The Governor of a
19 State not described in paragraph (1) may designate
20 the State as a single local area if, prior to the sub-
21 mission of the State plan or modification to such
22 plan so designating the State, no local area meeting
23 the requirements for automatic designation under
24 subsection (a)(2) requests such designation as a sep-
25 arate local area.

1 “(3) EFFECT ON LOCAL PLAN.—In any case in
2 which a State is designated as a local area pursuant
3 to this subsection, the local plan prepared under sec-
4 tion 118 for the area shall be submitted to the Sec-
5 retary for approval as part of the State plan under
6 section 112.”.

7 (c) REGIONAL PLANNING.—Section 116(c) (29
8 U.S.C. 2831(c)) is amended—

9 (1) by striking paragraph (1) and inserting the
10 following:

11 “(1) PLANNING.—

12 “(A) IN GENERAL.—As part of the process
13 for developing the State plan, a State may re-
14 quire regional planning by local boards for a
15 designated region in the State. The State may
16 require the local boards for a designated region
17 to participate in a regional planning process
18 that results in the establishment of regional
19 performance measures for workforce investment
20 activities authorized under this subtitle. The
21 State, after consultation with local boards and
22 chief elected officials, may require the local
23 boards for the designated region to prepare,
24 submit, and obtain approval of a single regional
25 plan that incorporates local plans for each of

1 the local areas in the region, as required under
2 section 118. The State may award regional in-
3 centive grants to the designated regions that
4 meet or exceed the regional performance meas-
5 ures pursuant to section 134(a)(2)(B)(iii).

6 “(B) TECHNICAL ASSISTANCE.—If the
7 State requires regional planning as provided in
8 subparagraph (A), the State shall provide tech-
9 nical assistance and labor market information
10 to such local areas in the designated regions to
11 assist with such regional planning and subse-
12 quent service delivery efforts.”;

13 (2) in paragraph (2), by inserting “information
14 about the skill requirements of existing and emerg-
15 ing industries and industry clusters,” after “infor-
16 mation about employment opportunities and
17 trends,”; and

18 (3) in paragraph (3), by adding at the end the
19 following: “Such services may be required to be co-
20 ordinated with regional economic development serv-
21 ices and strategies.”.

22 **SEC. 115. LOCAL WORKFORCE INVESTMENT BOARDS.**

23 (a) COMPOSITION.—Section 117(b) (29 U.S.C.
24 2832(b)) is amended—

25 (1) in paragraph (2)(A)—

1 (A) in clause (i), by striking subclause (II)
2 and inserting the following:

3 “(II) collectively, represent busi-
4 nesses with employment opportunities
5 that reflect the employment opportu-
6 nities of the local area, and include
7 representatives of businesses that are
8 in high-growth and emerging indus-
9 tries, and representatives of busi-
10 nesses, including small businesses, in
11 the local area; and”;

12 (B) by striking clause (ii) and inserting the
13 following:

14 “(ii)(I) a superintendent representing
15 the local school districts involved or an-
16 other high-level official from such districts;

17 “(II) the president or highest ranking
18 official of an institution of higher edu-
19 cation serving the local area; and

20 “(III) an administrator of local enti-
21 ties providing adult education and literacy
22 activities in the local area;”;

23 (C) in clause (iv), by inserting “, hard-to-
24 serve populations,” after “disabilities”; and

1 (D) by striking clause (vi) and inserting
2 the following:

3 “(vi) if the local board does not estab-
4 lish or continue a youth council, represent-
5 atives with experience serving out-of-school
6 youth, particularly out-of-school youth fac-
7 ing barriers to employment; and”;

8 (2) by adding at the end the following:

9 “(6) SPECIAL RULE.—In the case that there
10 are multiple school districts or institutions of higher
11 education serving a local area, the representatives
12 described in subclause (I) or (II) of paragraph
13 (2)(A)(ii), respectively, shall be appointed from
14 among individuals nominated by regional or local
15 educational agencies, institutions, or organizations
16 representing such agencies or institutions.”.

17 (b) AUTHORITY OF BOARD MEMBERS.—Section
18 117(b)(3) (29 U.S.C. 2832(b)(3)) is amended—

19 (1) in the heading, by inserting “AND REP-
20 RESENTATION” after “AUTHORITY”; and

21 (2) by adding at the end the following: “The
22 members of the board shall represent diverse geo-
23 graphic sections within the local area.”.

24 (c) CONFORMING AMENDMENT.—Section
25 117(c)(1)(C) (29 U.S.C. 2832(c)(1)(C)) is amended by

1 striking “section 116(a)(2)(B)” and inserting “section
2 116(a)(2)(A)(ii)”.

3 (d) FUNCTIONS.—Section 117(d) (29 U.S.C.
4 2832(d)) is amended—

5 (1) in paragraph (2)—

6 (A) in subparagraph (B)—

7 (i) by inserting “(except as provided
8 in section 123(b))” after “basis”; and

9 (ii) by inserting “(where appro-
10 priate)” after “youth council”; and

11 (B) by adding at the end the following:

12 “(E) CONSUMER CHOICE REQUIRE-
13 MENTS.—Consistent with sections 122 and
14 paragraphs (3) and (4) of 134(d), the local
15 board shall work to ensure there are sufficient
16 providers of intensive services and training serv-
17 ices serving the local area in a manner that
18 maximizes consumer choice, including providers
19 with expertise in assisting individuals with dis-
20 abilities.”;

21 (2) in paragraph (4), by inserting “, and shall
22 ensure the appropriate use and management of the
23 funds provided under this subtitle for such pro-
24 grams, activities, and system” after “area”;

25 (3) in paragraph (6)—

1 (A) by striking “EMPLOYMENT STATISTICS
2 SYSTEM” and inserting “WORKFORCE AND
3 LABOR MARKET INFORMATION SYSTEM”; and

4 (B) by striking “employment statistics sys-
5 tem” and inserting “workforce and labor mar-
6 ket information system”;

7 (4) in paragraph (8)—

8 (A) by inserting “, including small employ-
9 ers,” after “private sector employers”; and

10 (B) by striking the period and inserting “,
11 taking into account the unique needs of small
12 businesses.”; and

13 (5) by adding at the end the following:

14 “(9) TECHNOLOGY IMPROVEMENTS.—The local
15 board shall develop strategies for technology im-
16 provements to facilitate access to services, in remote
17 areas, for services authorized under this subtitle and
18 carried out in the local area.”.

19 (e) CONFORMING AMENDMENT.—Section 117(f)(2)
20 (29 U.S.C. 2832(f)(2)) is amended by striking “described
21 in section 134(c)”.

22 (f) AUTHORITY TO ESTABLISH COUNCILS AND
23 ELIMINATION OF REQUIREMENT FOR YOUTH COUN-
24 CILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to
25 read as follows:

1 “(h) COUNCILS.—The local board may establish or
2 continue councils to provide information and advice to as-
3 sist the local board in carrying out activities under this
4 title. Such councils may include—

5 “(1) a council composed of one-stop partners to
6 advise the local board on the operation of the one-
7 stop delivery system involved;

8 “(2) a youth council composed of experts and
9 stakeholders in youth programs to advise the local
10 board on youth activities; and

11 “(3) such other councils as the local board de-
12 termines are appropriate.”.

13 (g) ALTERNATIVE ENTITY PROVISION.—Section
14 117(i)(1) (29 U.S.C. 2832(i)(1)) is amended—

15 (1) in the matter preceding subparagraph (A),
16 by striking “and paragraphs (1) and (2) of sub-
17 section (h),”;

18 (2) by striking subparagraph (B) and inserting
19 the following:

20 “(B) was in existence on August 7, 1998,
21 pursuant to State law; and”;

22 (3) by striking subparagraph (C); and

23 (4) by redesignating subparagraph (D) as sub-
24 paragraph (C).

1 **SEC. 116. LOCAL PLAN.**

2 (a) **PLANNING CYCLE.**—Section 118(a) (29 U.S.C.
3 2833(a)) is amended—

4 (1) by striking “5-year” and inserting “4-year”;
5 and

6 (2) by adding at the end the following: “At the
7 end of the first 2-year period of the 4-year plan, the
8 local board shall review and, as needed, amend the
9 4-year plan to reflect labor market and economic
10 conditions.”.

11 (b) **CONTENTS.**—Section 118(b) (29 U.S.C. 2833(b))
12 is amended—

13 (1) in paragraph (2)—

14 (A) in subparagraph (A), by striking
15 “and” after the semicolon;

16 (B) by striking subparagraph (B) and in-
17 serting the following:

18 “(B) a description of how the local board
19 will facilitate access to services provided
20 through the one-stop delivery system, in remote
21 areas, including facilitating access through the
22 use of technology; and”; and

23 (C) by adding at the end the following:

24 “(C) a description of how the local board
25 will ensure physical and programmatic accessi-

1 bility for individuals with disabilities at one-stop
2 centers;”;

3 (2) in paragraph (9), by striking “; and” and
4 inserting a semicolon;

5 (3) by redesignating paragraph (10) as para-
6 graph (14); and

7 (4) by inserting after paragraph (9) the fol-
8 lowing:

9 “(10) a description of how the local board will
10 coordinate workforce investment activities carried
11 out in the local area with economic development ac-
12 tivities carried out in the local area;

13 “(11) a description of the strategies and serv-
14 ices that will be initiated in the local area to more
15 fully engage all employers, including small employ-
16 ers, in workforce investment activities, to make the
17 workforce investment system more relevant to the
18 needs of area businesses, and to better coordinate
19 workforce investment and economic development ef-
20 forts, which may include the implementation of inno-
21 vative initiatives such as incumbent worker training
22 programs, sectoral and industry cluster strategies,
23 regional skills alliance initiatives, career ladder pro-
24 grams, utilization of effective business inter-
25 mediaries, and other business services and strategies

1 designed to meet the needs of area employers and
2 contribute to the economic well-being of the local
3 area, as determined appropriate by the local board,
4 consistent with the objectives of this title;

5 “(12) a description of how the local board will
6 expand access to education and training services for
7 eligible individuals who are in need of such services
8 through—

9 “(A) the utilization of programs funded
10 under this title; and

11 “(B) the increased leveraging of resources
12 other than those provided under this title, in-
13 cluding tax credits, private sector-provided
14 training, and other Federal, State, local, and
15 private funds that are brokered through the
16 one-stop centers for training services;

17 “(13) a description of how the local board will
18 coordinate workforce investment activities carried
19 out in the local area with the provision of transpor-
20 tation, including public transportation, in the local
21 area; and”.

22 **SEC. 117. ESTABLISHMENT OF ONE-STOP DELIVERY SYS-**
23 **TEMS.**

24 (a) ONE-STOP PARTNERS.—

1 (1) REQUIRED PARTNERS.—Section 121(b)(1)
2 (29 U.S.C. 2841(b)(1)) is amended—

3 (A) by striking subparagraph (A) and in-
4 serting the following:

5 “(A) ROLES AND RESPONSIBILITIES OF
6 ONE-STOP PARTNERS.—Each entity that carries
7 out a program or activities described in sub-
8 paragraph (B) shall—

9 “(i) provide access through the one-
10 stop delivery system to the programs and
11 activities carried out by the entity, includ-
12 ing making the core services described in
13 section 134(d)(2) that are applicable to the
14 program of the entity available at the one-
15 stop centers (in addition to any other ap-
16 propriate locations);

17 “(ii) use a portion of the funds avail-
18 able to the program of the entity to main-
19 tain the one-stop delivery system, including
20 payment of the infrastructure costs of one-
21 stop centers in accordance with subsection
22 (h);

23 “(iii) enter into a local memorandum
24 of understanding with the local board re-
25 lating to the operation of the one-stop sys-

1 tem that meets the requirements of sub-
2 section (c);

3 “(iv) participate in the operation of
4 the one-stop system consistent with the
5 terms of the memorandum of under-
6 standing, the requirements of this title,
7 and the requirements of the Federal laws
8 authorizing the programs carried out by
9 the entity; and

10 “(v) provide representation on the
11 State board to the extent provided under
12 section 111.”;

13 (B) in subparagraph (B)—

14 (i) by striking clause (v);

15 (ii) by redesignating clauses (vi)
16 through (xii) as clauses (v) through (xi),
17 respectively;

18 (iii) in clause (x) (as redesignated by
19 clause (ii)), by striking “and” at the end;

20 (iv) in clause (xi) (as redesignated by
21 clause (ii)), by striking the period and in-
22 serting “; and”; and

23 (v) by adding at the end the following:

24 “(xii) programs authorized under part
25 A of title IV of the Social Security Act (42

1 U.S.C. 601 et seq.), subject to subpara-
2 graph (C).”; and

3 (C) by adding at the end the following:

4 “(C) DETERMINATION BY THE GOV-
5 ERNOR.—

6 “(i) IN GENERAL.—An entity that
7 carries out programs referred to in sub-
8 paragraph (B)(xii) shall be included in the
9 one-stop partners for the local area, as a
10 required partner, for purposes of this title
11 unless the Governor of the State provides
12 the notification described in clause (ii).

13 “(ii) NOTIFICATION.—The notification
14 referred to in clause (i) is a notification
15 that—

16 “(I) is made in writing of a de-
17 termination by the Governor not to in-
18 clude such entity in the one-stop part-
19 ners described in clause (i); and

20 “(II) is provided to the Secretary
21 and the Secretary of Health and
22 Human Services.”.

23 (2) ADDITIONAL PARTNERS.—

1 (A) IN GENERAL.—Section 121(b)(2)(A)
2 (29 U.S.C. 2841(b)(2)(A)) is amended to read
3 as follows:

4 “(A) IN GENERAL.—With the approval of
5 the local board and chief elected official, in ad-
6 dition to the entities described in paragraph
7 (1), other entities that carry out human re-
8 source programs described in subparagraph (B)
9 may be one-stop partners and carry out the re-
10 sponsibilities described in paragraph (1)(A).”.

11 (B) ADDITIONAL PARTNERS.—Section
12 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is
13 amended by striking clauses (i) through (iii)
14 and inserting the following:

15 “(i) employment and training pro-
16 grams administered by the Social Security
17 Administration, including the Ticket to
18 Work and Self-Sufficiency program estab-
19 lished under section 1148 of the Social Se-
20 curity Act (42 U.S.C. 1320b–19);

21 “(ii) employment and training pro-
22 grams carried out by the Small Business
23 Administration;

1 “(iii) programs authorized under sec-
2 tion 6(d)(4) of the Food Stamp Act of
3 1977 (7 U.S.C. 2015(d)(4));”.

4 (b) LOCAL MEMORANDUM OF UNDERSTANDING.—
5 Section 121(c)(2)(A) (29 U.S.C. 2841(c)(2)(A)) is amend-
6 ed to read as follows:

7 “(A) provisions describing—

8 “(i) the services to be provided
9 through the one-stop delivery system con-
10 sistent with the requirements of this sec-
11 tion, including the manner in which the
12 services will be coordinated through such
13 system;

14 “(ii) how the costs of such services
15 and the operating costs of such system will
16 be funded to provide a stable and equitable
17 funding stream for ongoing one-stop sys-
18 tem operations, including the funding of
19 the infrastructure costs of one-stop centers
20 in accordance with subsection (h);

21 “(iii) methods of referral of individ-
22 uals between the one-stop operator and the
23 one-stop partners for appropriate services
24 and activities;

1 “(iv) methods to ensure the needs of
2 hard-to-serve populations are addressed in
3 providing access to services through the
4 one-stop system; and

5 “(v) the duration of the memorandum
6 of understanding and the procedures for
7 amending the memorandum during the
8 term of the memorandum, and assurances
9 that such memorandum shall be reviewed
10 not less than once every 2-year period to
11 ensure appropriate funding and delivery of
12 services; and”.

13 (c) CONFORMING AMENDMENT.—Section 121(d)(2)
14 (29 U.S.C. 2841(d)(2)) is amended by striking “section
15 134(c)” and inserting “section 121(e)”.

16 (d) PROVISION OF SERVICES.—

17 (1) ELIMINATION OF PROVISIONS CONCERNING
18 ESTABLISHED SYSTEMS.—Section 121 (29 U.S.C.
19 2841) is amended by striking subsection (e).

20 (2) REDESIGNATION.—Subtitle B of title I is
21 amended—

22 (A) in section 134 (29 U.S.C. 2864), by
23 redesignating subsection (c) as subsection (e);
24 and

1 (B) by transferring that subsection (e) so
2 that the subsection appears after subsection (d)
3 of section 121.

4 (3) ONE-STOP DELIVERY SYSTEMS.—Paragraph
5 (1) of section 121(e) (29 U.S.C. 2841(e)) (as redes-
6 ignated by paragraph (2)) is amended—

7 (A) in subparagraph (A), by striking “sub-
8 section (d)(2)” and inserting “section
9 134(d)(2)”;

10 (B) in subparagraph (B)—

11 (i) by striking “subsection (d)” and
12 inserting “section 134(d)”;

13 (ii) by striking “individual training
14 accounts” and inserting “career scholar-
15 ship accounts”; and

16 (iii) by striking “subsection
17 (d)(4)(G)” and inserting “section
18 134(d)(4)(G)”;

19 (C) in subparagraph (C), by striking “sub-
20 section (e)” and inserting “section 134(e)”;

21 (D) in subparagraph (D), by striking “sec-
22 tion 121(b)” and inserting “subsection (b)”;
23 and

24 (E) in subparagraph (E), by striking “in-
25 formation described in section 15” and insert-

1 ing “data, information, and analysis described
2 in section 15(a)”.

3 (e) CONTINUOUS IMPROVEMENT OF ONE-STOP CEN-
4 TERS.—Section 121 (29 U.S.C. 2841) is amended by add-
5 ing at the end the following:

6 “(g) CONTINUOUS IMPROVEMENT OF ONE-STOP
7 CENTERS.—

8 “(1) IN GENERAL.—The State board, in con-
9 sultation with chief local elected officials and local
10 boards, shall establish objective criteria and proce-
11 dures for use by local boards in periodically assess-
12 ing the effectiveness, physical and programmatic ac-
13 cessibility, and continuous improvement of one-stop
14 centers and one-stop delivery systems.

15 “(2) CRITERIA.—The procedures and criteria
16 developed under this subsection shall include min-
17 imum standards relating to the scope and degree of
18 service coordination achieved by the one-stop deliv-
19 ery system with respect to the programs adminis-
20 tered by the one-stop partners at the one-stop cen-
21 ters, consistent with the guidelines and guidance
22 provided by the Governor and by the State board, in
23 consultation with the chief elected official and local
24 boards, for such partners’ participation under sub-
25 sections (h)(1)(B) and subsection (i), respectively,

1 and such other factors relating to the quality, acces-
2 sibility, and effectiveness of the one-stop delivery
3 system as the State board determines to be appro-
4 priate.

5 “(3) LOCAL BOARDS.—Consistent with the cri-
6 teria developed by the State, the local board may de-
7 velop additional criteria of higher standards to re-
8 spond to local labor market and demographic condi-
9 tions and trends.

10 “(h) FUNDING OF ONE-STOP INFRASTRUCTURE.—

11 “(1) IN GENERAL.—

12 “(A) OPTIONS FOR INFRASTRUCTURE
13 FUNDING.—

14 “(i) LOCAL OPTIONS.—The local
15 board, chief elected officials, and one-stop
16 partners in a local area may choose to
17 fund the costs of the infrastructure of one-
18 stop centers through—

19 “(I) methods described in the
20 local memorandum of understanding,
21 if, the local board, chief elected offi-
22 cials, and one-stop partners agree to
23 such methods; or

1 “(II) the State infrastructure
2 funding mechanism described in para-
3 graph (2).

4 “(ii) FAILURE TO REACH AGREEMENT
5 ON FUNDING METHODS.—If, as of July 1,
6 2006, the local board, chief elected offi-
7 cials, and one-stop partners in a local area
8 fail to reach agreement on methods of suf-
9 ficient funding of the infrastructure costs
10 of one-stop centers, as determined by the
11 local area, the State infrastructure funding
12 mechanism described in paragraph (2)
13 shall be applicable to such local area.

14 “(B) GUIDANCE FOR INFRASTRUCTURE
15 FUNDING.—In addition to carrying out the re-
16 quirements relating to the State mechanism for
17 one-stop center infrastructure funding described
18 in paragraph (2), the Governor, after consulta-
19 tion with chief local elected officials, local
20 boards, and the State board, and consistent
21 with the guidelines provided by the State board
22 under subsection (i), shall provide—

23 “(i) guidelines for State administered
24 one-stop partner programs in determining
25 such programs’ contributions to and par-

1 ticipation in the one-stop delivery system,
2 including funding for the costs of infra-
3 structure as defined in paragraph (2)(D),
4 negotiated pursuant to the local memo-
5 randum of understanding under subsection
6 (c); and

7 “(ii) guidance to assist local areas in
8 identifying equitable and stable alternative
9 methods of funding of the costs of the in-
10 frastructure of one-stop centers in local
11 areas.

12 “(2) STATE ONE-STOP INFRASTRUCTURE FUND-
13 ING.—

14 “(A) PARTNER CONTRIBUTIONS.—

15 “(i) IN GENERAL.—Subject to clause
16 (iii), a portion determined under clause (ii)
17 of the Federal funds provided to the State
18 and areas within the State under the Fed-
19 eral laws authorizing the programs de-
20 scribed in subsection (b)(1) and adminis-
21 tered by one-stop partners for a fiscal year
22 shall be provided to the Governor from
23 such programs to assist in paying the costs
24 of infrastructure of one-stop centers in
25 those local areas of the State not funded

1 under the option described in paragraph
2 (1)(A)(i)(I).

3 “(ii) DETERMINATION OF GOV-
4 ERNOR.—

5 “(I) IN GENERAL.—Subject to
6 subclause (II) and clause (iii), the
7 Governor, after consultation with chief
8 local elected officials, local boards,
9 and the State board, shall determine
10 the portion of funds to be provided
11 under clause (i) by each one-stop
12 partner from each program described
13 in clause (i). In making such deter-
14 mination, the Governor shall calculate
15 the proportionate use of the one-stop
16 centers for the purpose of determining
17 funding contributions pursuant to
18 clause (i)(II) or (ii) of paragraph
19 (1)(A) by each partner, and the costs
20 of administration for purposes not re-
21 lated to one-stop centers for each
22 partner. The Governor shall exclude
23 from such determination the portion
24 of funds and use of one-stop centers
25 attributable to the programs of one-

1 stop partners for those local areas of
2 the State where the infrastructure of
3 one-stop centers is funded under the
4 option described in paragraph
5 (1)(A)(i)(I).

6 “(II) SPECIAL RULE.—In a State
7 in which the State constitution places
8 policymaking authority that is inde-
9 pendent of the authority of the Gov-
10 ernor in an entity or official with re-
11 spect to the funds provided for adult
12 education and literacy activities au-
13 thorized under title II and for postsec-
14 ondary vocational and technical edu-
15 cation activities authorized under the
16 Carl D. Perkins Vocational and Tech-
17 nical Education Act of 1998 (20
18 U.S.C. 2301 et seq.), or vocational re-
19 habilitation services offered under the
20 Rehabilitation Act of 1973 (29 U.S.C.
21 701 et seq.), the determination de-
22 scribed in subclause (I) with respect
23 to the programs authorized under that
24 title and those Acts shall be made by
25 the chief officer of the entity with

1 such authority in consultation with
2 the Governor.

3 “(III) APPEAL BY ONE-STOP
4 PARTNERS.—The Governor shall es-
5 tablish a procedure for the one-stop
6 partner administering a program de-
7 scribed in subsection (b) to appeal a
8 determination regarding the portion of
9 funds to be contributed under this
10 paragraph on the basis that such de-
11 termination is inconsistent with the
12 criteria described in the State plan or
13 with the requirements of this para-
14 graph. Such procedure shall ensure
15 prompt resolution of the appeal.

16 “(iii) LIMITATIONS.—

17 “(I) PROVISION FROM ADMINIS-
18 TRATIVE FUNDS.—The funds provided
19 under this paragraph by each one-stop
20 partner shall be provided only from
21 funds available for the costs of admin-
22 istration under the program adminis-
23 tered by such partner, and shall be
24 subject to the program limitations
25 with respect to the portion of funds

1 under such program that may be used
2 for administration.

3 “(II) CAP ON REQUIRED CON-
4 TRIBUTIONS.—

5 “(aa) WIA FORMULA PRO-
6 GRAMS AND EMPLOYMENT SERV-
7 ICE.—The portion of funds re-
8 quired to be contributed under
9 clause (i)(II) or (ii) of paragraph
10 (1)(A) by the programs author-
11 ized under chapters 4 and 5 and
12 under the Wagner-Peyser Act
13 (29 U.S.C. 49 et seq.) shall not
14 be in excess of 3 percent of the
15 amount of Federal funds pro-
16 vided to carry out each such pro-
17 gram in the State for a fiscal
18 year.

19 “(bb) OTHER ONE-STOP
20 PARTNERS.—The portion of
21 funds required to be contributed
22 under clause (i)(II) or (ii) of
23 paragraph (1)(A) by a one-stop
24 partner from a program de-
25 scribed in subsection (b)(1) other

1 than the programs described
2 under item (aa) shall not be in
3 excess of 1½ percent of the
4 amount of Federal funds pro-
5 vided to carry out such program
6 in the State for a fiscal year.

7 “(cc) SPECIAL RULE.—Not-
8 withstanding items (aa) and (bb),
9 an agreement, including a local
10 memorandum of understanding,
11 entered into prior to the date of
12 enactment of the Workforce In-
13 vestment Act Amendments of
14 2005 by an entity regarding con-
15 tributions under this title that
16 permits the percentages described
17 in such items to be exceeded,
18 may continue to be in effect until
19 terminated by the parties.

20 “(dd) VOCATIONAL REHA-
21 BILITATION.—Notwithstanding
22 items (aa) and (bb), an entity ad-
23 ministering a program under title
24 I of the Rehabilitation Act of
25 1973 (29 U.S.C. 720 et seq.)

1 shall not be required to provide,
2 for the purposes of this para-
3 graph, an amount in excess of—

4 “(AA) 0.75 percent of
5 the amount provided for
6 such program in the State
7 for the second program year
8 that begins after the date of
9 enactment of the Workforce
10 Investment Act Amendments
11 of 2005;

12 “(BB) 1.0 percent of
13 the amount provided for
14 such program in the State
15 for the third program year
16 that begins after such date;

17 “(CC) 1.25 percent of
18 the amount provided for
19 such program in the State
20 for the fourth program year
21 that begins after such date;
22 and

23 “(DD) 1.5 percent of
24 the amount provided for
25 such program in the State

1 for the fifth and each suc-
2 ceeding program year that
3 begins after such date.

4 “(III) FEDERAL DIRECT SPEND-
5 ING PROGRAMS.—An entity admin-
6 istering a program funded with direct
7 spending as defined in section
8 250(c)(8) of the Balanced Budget and
9 Emergency Deficit Control Act of
10 1985 (2 U.S.C. 900(c)(8)) shall not
11 be required to provide, for purposes of
12 this paragraph, an amount in excess
13 of the amount determined to be equiv-
14 alent to the cost of the proportionate
15 use of the one-stop centers for such
16 program in the State.

17 “(IV) NATIVE AMERICAN PRO-
18 GRAMS.—Native American programs
19 established under section 166 shall
20 not be subject to the provisions of this
21 subsection or subsection (i). The
22 method for determining the appro-
23 priate portion of funds to be provided
24 by such Native American programs to
25 pay for the costs of infrastructure of

1 a one-stop center shall be determined
2 as part of the development of the
3 memorandum of understanding under
4 subsection (c) for the one-stop center
5 and shall be stated in the memo-
6 randum.

7 “(B) ALLOCATION BY GOVERNOR.—From
8 the funds provided under subparagraph (A), the
9 Governor shall allocate the funds to local areas
10 in accordance with the formula established
11 under subparagraph (C) for the purposes of as-
12 sisting in paying the costs of infrastructure of
13 one-stop centers.

14 “(C) ALLOCATION FORMULA.—The State
15 board shall develop a formula to be used by the
16 Governor to allocate the funds provided under
17 subparagraph (A) to local areas not funding in-
18 frastructure costs under the option described in
19 paragraph (1)(A)(i)(I). The formula shall be
20 based on factors including the number of one-
21 stop centers in a local area, the population
22 served by such centers, the services provided by
23 such centers, and other factors relating to the
24 performance of such centers that the State
25 board determines are appropriate.

1 “(D) COSTS OF INFRASTRUCTURE.—In
2 this subsection, the term ‘costs of infrastruc-
3 ture’, used with respect to a one-stop center,
4 means the nonpersonnel costs that are nec-
5 essary for the general operation of the one-stop
6 center, including the rental costs of the facili-
7 ties, the costs of utilities and maintenance,
8 equipment (including adaptive technology for
9 individuals with disabilities), and technology to
10 facilitate remote access to the one-stop center’s
11 strategic planning activities, and common out-
12 reach activities.

13 “(i) OTHER FUNDS.—

14 “(1) IN GENERAL.—Subject to the memo-
15 randum of understanding described in subsection (c)
16 for the one-stop delivery system involved, in addition
17 to the funds provided to carry out subsection (h), a
18 portion of funds made available under Federal law
19 authorizing the programs described in subsection (b)
20 and administered by one-stop partners, or the
21 noncash resources available under such programs,
22 shall be used to pay the additional costs relating to
23 the operation of the one-stop delivery system that
24 are not paid from the funds provided under sub-
25 section (h), as determined in accordance with para-

1 graph (2), to the extent not inconsistent with the
2 Federal law involved. Such costs shall include the
3 costs of the provision of core services described in
4 section 134(d)(2) applicable to each program and
5 may include common costs that are not paid from
6 the funds provided under subsection (h).

7 “(2) DETERMINATION AND GUIDANCE.—The
8 method for determining the appropriate portion of
9 funds and noncash resources to be provided by each
10 program under paragraph (1) for a one-stop center
11 shall be determined as part of the development of
12 the memorandum of understanding under subsection
13 (c) for the one-stop center and shall be stated in the
14 memorandum. The State board shall provide guid-
15 ance to facilitate the determination of an appro-
16 priate allocation of the funds and noncash resources
17 in local areas.”.

18 **SEC. 118. ELIGIBLE PROVIDERS OF TRAINING SERVICES.**

19 Section 122 (29 U.S.C. 2842) is amended to read as
20 follows:

21 **“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF**
22 **TRAINING SERVICES.**

23 “(a) ELIGIBILITY.—

24 “(1) IN GENERAL.—The Governor, after con-
25 sultation with the State board, shall establish cri-

1 teria and procedures regarding the eligibility of pro-
2 viders of training services described in section
3 134(d)(4) (referred to in this section as ‘training
4 services’) to receive funds provided under section
5 133(b) for the provision of training services.

6 “(2) PROVIDERS.—Subject to the provisions of
7 this section, to be eligible to receive the funds pro-
8 vided under section 133(b) for the provision of train-
9 ing services, the provider shall be—

10 “(A) a postsecondary educational institu-
11 tion that—

12 “(i) is eligible to receive Federal funds
13 under title IV of the Higher Education Act
14 of 1965 (20 U.S.C. 1070 et seq.); and

15 “(ii) provides a program that leads to
16 an associate degree, baccalaureate degree,
17 or industry-recognized certification; or

18 “(B) an entity that carries out programs
19 under the Act of August 16, 1937 (commonly
20 known as the ‘National Apprenticeship Act’; 50
21 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

22 “(3) INCLUSION IN LIST OF ELIGIBLE PRO-
23 VIDERS.—A provider described in paragraph (2)(A)
24 shall comply with the criteria and procedures estab-
25 lished under this section to be included on the list

1 of eligible providers of training services described in
2 subsection (d)(1). A provider described in paragraph
3 (2)(B) shall be included on the list of eligible pro-
4 viders of training services described in subsection
5 (d)(1) for so long as the provider remains certified
6 by the Department of Labor to carry out the pro-
7 grams described in paragraph (2)(B).

8 “(b) CRITERIA.—

9 “(1) IN GENERAL.—The criteria established by
10 the Governor pursuant to subsection (a) shall take
11 into account—

12 “(A) the performance of providers of train-
13 ing services with respect to the performance
14 measures and other matters for which informa-
15 tion is required under paragraph (2) and other
16 appropriate measures of performance outcomes
17 for those participants receiving training services
18 under this subtitle (taking into consideration
19 the characteristics of the population served and
20 relevant economic conditions);

21 “(B) the need to ensure access to training
22 services throughout the State, including any
23 rural areas;

24 “(C) the information such providers are re-
25 quired to report to State agencies with respect

1 to Federal and State programs (other than the
2 program carried out under this subtitle), includ-
3 ing one-stop partner programs;

4 “(D) the requirements for State licensing
5 of providers of training services, and the licens-
6 ing status of each provider of training services
7 if applicable;

8 “(E) to the extent practicable, encouraging
9 the use of industry-recognized standards and
10 certification;

11 “(F) the ability of the providers to offer
12 programs that lead to a degree or an industry-
13 recognized certification;

14 “(G) the ability to provide training services
15 to hard-to-serve populations, including individ-
16 uals with disabilities; and

17 “(H) such other factors as the Governor
18 determines are appropriate to ensure—

19 “(i) the quality of services provided;

20 “(ii) the accountability of the pro-
21 viders;

22 “(iii) that the one-stop centers in the
23 State will ensure that such providers meet
24 the needs of local employers and partici-
25 pants;

1 “(iv) the informed choice of partici-
2 pants under chapter 5; and

3 “(v) that the collection of information
4 required is not unduly burdensome or cost-
5 ly to providers.

6 “(2) INFORMATION.—The criteria established
7 by the Governor shall require that a provider of
8 training services submit appropriate, accurate, and
9 timely information to the State for purposes of car-
10 rying out subsection (d), with respect to participants
11 receiving training services under this subtitle in the
12 applicable program, including—

13 “(A) information on degrees and industry-
14 recognized certifications received by such par-
15 ticipants;

16 “(B) information on costs of attendance
17 for such participants;

18 “(C) information on the program comple-
19 tion rate for such participants; and

20 “(D) information on the performance of
21 the provider with respect to the performance
22 measures described in section 136 for such par-
23 ticipants (taking into consideration the charac-
24 teristics of the population served and relevant
25 economic conditions), which may include infor-

1 mation specifying the percentage of such par-
2 ticipants who entered unsubsidized employment
3 in an occupation related to the program.

4 “(3) RENEWAL.—The criteria established by
5 the Governor shall also provide for biennial review
6 and renewal of eligibility under this section for pro-
7 viders of training services.

8 “(4) LOCAL CRITERIA.—A local board in the
9 State may establish criteria in addition to the cri-
10 teria established by the Governor, or may require
11 higher levels of performance than required under the
12 criteria established by the Governor, for purposes of
13 determining the eligibility of providers of training
14 services to receive funds described in subsection (a)
15 to provide the services in the local area involved.

16 “(5) INFORMATION TO ESTABLISH INITIAL ELI-
17 GIBILITY.—

18 “(A) IN GENERAL.—In an effort to provide
19 the highest-quality training services and respon-
20 siveness to new and emerging industries, pro-
21 viders may seek initial eligibility under this sec-
22 tion as providers of training services. The cri-
23 teria established by the Governor shall require
24 that a provider who has not previously been an
25 eligible provider of training services under this

1 section provide the information described in
2 subparagraph (B).

3 “(B) INFORMATION.—The provider shall
4 provide verifiable program-specific performance
5 information supporting the provider’s ability to
6 serve participants under this subtitle. The in-
7 formation provided under this subparagraph
8 may include information on outcome measures
9 such as job placement and wage increases for
10 individuals participating in the program, infor-
11 mation on business partnerships and other fac-
12 tors that indicate high-quality training services,
13 and information on alignment with industries
14 targeted for potential employment opportuni-
15 ties.

16 “(C) PROVISION.—The provider shall pro-
17 vide the information described in subparagraph
18 (B) to the Governor and the local boards in a
19 manner that will permit the Governor and the
20 local boards to make a decision on inclusion of
21 the provider on the list of eligible providers de-
22 scribed in subsection (d).

23 “(c) PROCEDURES.—The procedures established
24 under subsection (a) shall identify the application process
25 for a provider of training services to become eligible to

1 receive funds provided under section 133(b) for the provi-
2 sion of training services, and identify the respective roles
3 of the State and local areas in receiving and reviewing the
4 applications and in making determinations of such eligi-
5 bility based on the criteria established under this section.
6 The procedures shall also establish a process for a pro-
7 vider of training services to appeal a denial or termination
8 of eligibility under this section, that includes an oppor-
9 tunity for a hearing and prescribes appropriate time limits
10 to ensure prompt resolution of the appeal.

11 “(d) INFORMATION TO ASSIST PARTICIPANTS IN
12 CHOOSING PROVIDERS.—In order to facilitate and assist
13 participants in choosing employment and training activi-
14 ties under chapter 5 and in choosing providers of training
15 services, the Governor shall ensure that an appropriate list
16 of providers determined to be eligible under this section
17 in the State, accompanied by appropriate information, is
18 provided to the one-stop delivery system in the State. The
19 accompanying information shall consist of information
20 provided by providers described in subsection (a)(2)(A) in
21 accordance with subsection (b) (including information on
22 receipt of degrees and industry-recognized certifications,
23 and costs of attendance, for participants receiving training
24 services under this subtitle in applicable programs) and
25 such other information as the Secretary determines is ap-

1 appropriate. The list and the accompanying information
2 shall be made available to such participants and to mem-
3 bers of the public through the one-stop delivery system
4 in the State.

5 “(e) ENFORCEMENT.—

6 “(1) IN GENERAL.—The criteria and proce-
7 dures established under this section shall provide the
8 following:

9 “(A) INTENTIONALLY SUPPLYING INAC-
10 CURATE INFORMATION.—Upon a determination,
11 by an individual or entity specified in the cri-
12 teria or procedures, that a provider of training
13 services, or individual providing information on
14 behalf of the provider, intentionally supplied in-
15 accurate information under this section, the eli-
16 gibility of such provider to receive funds under
17 chapter 5 shall be terminated for a period of
18 time that is not less than 2 years.

19 “(B) SUBSTANTIAL VIOLATIONS.—Upon a
20 determination, by an individual or entity speci-
21 fied in the criteria or procedures, that a pro-
22 vider of training services substantially violated
23 any requirement under this title, the eligibility
24 of such provider to receive funds under the pro-

1 gram involved may be terminated, or other ap-
2 propriate action may be taken.

3 “(C) REPAYMENT.—A provider of training
4 services whose eligibility is terminated under
5 subparagraph (A) or (B) shall be liable for the
6 repayment of funds received under chapter 5
7 during a period of noncompliance described in
8 such subparagraph.

9 “(2) CONSTRUCTION.—Paragraph (1) shall be
10 construed to provide remedies and penalties that
11 supplement, but do not supplant, other civil and
12 criminal remedies and penalties.

13 “(f) AGREEMENTS WITH OTHER STATES.—States
14 may enter into agreements, on a reciprocal basis, to per-
15 mit eligible providers of training services to accept career
16 scholarship accounts provided in another State.

17 “(g) OPPORTUNITY TO SUBMIT COMMENTS.—In es-
18 tablishing criteria, procedures, requirements for informa-
19 tion, and the list of eligible providers described in sub-
20 section (d)(1), the Governor shall provide an opportunity
21 for interested members of the public to make rec-
22 ommendations and submit comments regarding such cri-
23 teria, procedures, requirements for information, and list.

24 “(h) TRANSITION PERIOD FOR IMPLEMENTATION.—
25 The requirements of this section shall be implemented not

1 later than December 31, 2005. In order to facilitate early
2 implementation of this section, the Governor may establish
3 transition procedures under which providers eligible to
4 provide training services under chapter 5 as such chapter
5 was in effect on the day before the date of enactment of
6 the Workforce Investment Act Amendments of 2005 may
7 continue to be eligible to provide such services until De-
8 cember 31, 2005, or until such earlier date as the Gov-
9 ernor determines to be appropriate.

10 “(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAIN-
11 ING EXCEPTION.—

12 “(1) IN GENERAL.—Providers of on-the-job
13 training or customized training shall not be subject
14 to the requirements of subsections (a) through (h).

15 “(2) COLLECTION AND DISSEMINATION OF IN-
16 FORMATION.—A one-stop operator in a local area
17 shall collect such performance information from on-
18 the-job training and customized training providers
19 as the Governor may require, determine whether the
20 providers meet such performance criteria as the Gov-
21 ernor may require, and disseminate information
22 identifying providers that meet the criteria as eligi-
23 ble providers, and the performance information,
24 through the one-stop delivery system. Providers de-
25 termined to meet the criteria shall be considered to

1 be identified as eligible providers of training serv-
2 ices.”.

3 **SEC. 119. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.**

4 Section 123 (29 U.S.C. 2843) is amended to read as
5 follows:

6 **“SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.**

7 “(a) IN GENERAL.—From the funds allocated under
8 section 128(b) to a local area, the local board for such
9 area shall award grants or contracts on a competitive basis
10 to providers of youth activities identified based on the cri-
11 teria in the State plan described in section 112 and shall
12 conduct oversight with respect to such providers.

13 “(b) EXCEPTIONS.—A local board may award grants
14 or contracts on a sole-source basis if such board deter-
15 mines there is an insufficient number of eligible providers
16 of youth activities in the local area involved (such as a
17 rural area) for grants and contracts to be awarded on a
18 competitive basis under subsection (a).”.

19 **SEC. 120. YOUTH ACTIVITIES.**

20 (a) STATE ALLOTMENTS.—Section 127 (29 U.S.C.
21 2852) is amended—

22 (1) in subsection (a)(1), by striking “oppor-
23 tunity” and inserting “challenge”; and

24 (2) by striking subsection (b) and inserting the
25 following:

1 “(b) ALLOTMENT AMONG STATES.—

2 “(1) YOUTH ACTIVITIES.—

3 “(A) YOUTH CHALLENGE GRANTS AND
4 YOUTH ACTIVITIES FOR FARMWORKERS AND
5 NATIVE AMERICANS.—

6 “(i) IN GENERAL.—For each fiscal
7 year in which the amount appropriated
8 under section 137(a) exceeds
9 \$1,000,000,000, the Secretary shall re-
10 serve a portion of the amount to provide
11 youth activities under section 167 (relating
12 to migrant and seasonal farmworker pro-
13 grams) and provide youth challenge grants
14 and other activities under section 169 (re-
15 lating to youth challenge grants).

16 “(ii) PORTION.—The portion referred
17 to in clause (i) shall equal, for a fiscal
18 year—

19 “(I) except as provided in sub-
20 clause (II), the difference obtained by
21 subtracting \$1,000,000,000 from the
22 amount appropriated under section
23 137(a) for the fiscal year; or

1 “(II) for any fiscal year in which
2 the amount is \$1,250,000,000 or
3 greater, \$250,000,000.

4 “(iii) YOUTH ACTIVITIES FOR FARM-
5 WORKERS.—The Secretary shall reserve
6 the greater of \$10,000,000 or 4 percent of
7 the portion described in clause (i) for a fis-
8 cal year to provide youth activities under
9 section 167.

10 “(iv) YOUTH ACTIVITIES FOR NATIVE
11 AMERICANS.—From the amount appro-
12 priated under section 137(a) for each fiscal
13 year that is not reserved under clause (i)
14 the Secretary shall reserve not more than
15 1½ percent of such appropriated amount
16 to provide youth activities under section
17 166 (relating to Native Americans).

18 “(B) OUTLYING AREAS.—

19 “(i) IN GENERAL.—From the amount
20 appropriated under section 137(a) for each
21 fiscal year that is not reserved under sub-
22 paragraph (A), the Secretary shall reserve
23 not more than ¼ of 1 percent of the ap-
24 propriated amount to provide assistance to
25 the outlying areas to carry out youth ac-

1 activities and statewide workforce investment
2 activities.

3 “(ii) LIMITATION FOR FREELY ASSO-
4 CIATED STATES.—

5 “(I) COMPETITIVE GRANTS.—

6 The Secretary shall use funds de-
7 scribed in clause (i) to award grants
8 to Guam, American Samoa, the Com-
9 monwealth of the Northern Mariana
10 Islands, and the Freely Associated
11 States to carry out youth activities
12 and statewide workforce investment
13 activities.

14 “(II) AWARD BASIS.—The Sec-
15 retary shall award grants pursuant to
16 subclause (I) on a competitive basis
17 and pursuant to the recommendations
18 of experts in the field of employment
19 and training, working through the Pa-
20 cific Region Educational Laboratory
21 in Honolulu, Hawaii.

22 “(III) ASSISTANCE REQUIRE-
23 MENTS.—Any Freely Associated State
24 that desires to receive assistance
25 under this subparagraph shall submit

1 an application to the Secretary and
2 shall include in the application for
3 assistance—

4 “(aa) information dem-
5 onstrating that the Freely Asso-
6 ciated State will meet all condi-
7 tions that apply to States under
8 this title;

9 “(bb) an assurance that,
10 notwithstanding any other provi-
11 sion of this title, the Freely Asso-
12 ciated State will use such assist-
13 ance only for the direct provision
14 of services; and

15 “(cc) such other information
16 and assurances as the Secretary
17 may require.

18 “(IV) ADMINISTRATIVE COSTS.—
19 The Secretary may provide not more
20 than 5 percent of the funds made
21 available for grants under subclause
22 (I) to pay the administrative costs of
23 the Pacific Region Educational Lab-
24 oratory in Honolulu, Hawaii, regard-

1 ing activities assisted under this
2 clause.

3 “(iii) ADDITIONAL REQUIREMENT.—

4 The provisions of Public Law 95–134, per-
5 mitting the consolidation of grants by the
6 outlying areas, shall not apply to assist-
7 ance provided to those areas, including the
8 Freely Associated States, under this sub-
9 paragraph.

10 “(C) STATES.—

11 “(i) IN GENERAL.—From the remain-
12 der of the amount appropriated under sec-
13 tion 137(a) for a fiscal year that exists
14 after the Secretary determines the
15 amounts to be reserved under subpara-
16 graphs (A) and (B), the Secretary shall
17 allot to the States—

18 “(I) an amount of the remainder
19 that is less than or equal to the total
20 amount that was allotted to States for
21 fiscal year 2003 under section
22 127(b)(1)(C) of this Act (as in effect
23 on the day before the date of enact-
24 ment of the Workforce Investment Act
25 Amendments of 2005), in accordance

1 with the requirements of such section
2 127(b)(1)(C); and

3 “(II) the amount of the remain-
4 der, if any, in excess of the amount
5 referred to in subclause (I), in accord-
6 ance with clause (ii).

7 “(ii) FORMULA.—Subject to clauses
8 (iii) and (iv), of the amount described in
9 clause (i)(II)—

10 “(I) $33\frac{1}{3}$ percent shall be allot-
11 ted on the basis of the relative num-
12 ber of individuals in the civilian labor
13 force who are ages 16 through 21 in
14 each State, compared to the total
15 number of individuals in the civilian
16 labor force who are ages 16 through
17 21 in all States;

18 “(II) $33\frac{1}{3}$ percent shall be allot-
19 ted on the basis of the relative num-
20 ber of unemployed individuals in each
21 State, compared to the total number
22 of unemployed individuals in all
23 States; and

24 “(III) $33\frac{1}{3}$ percent shall be allot-
25 ted on the basis of the relative num-

1 ber of disadvantaged youth who are
2 ages 16 through 21 in each State,
3 compared to the total number of dis-
4 advantaged youth who are ages 16
5 through 21 in all States.

6 “(iii) MINIMUM AND MAXIMUM PER-
7 CENTAGES.—

8 “(I) MINIMUM PERCENTAGE.—

9 The Secretary shall ensure that no
10 State shall receive an allotment per-
11 centage under this subparagraph for a
12 fiscal year that is less than 90 percent
13 of the allotment percentage of the
14 State for the preceding fiscal year.

15 “(II) MAXIMUM PERCENTAGE.—

16 Subject to subclause (I), the Secretary
17 shall ensure that no State shall re-
18 ceive an allotment percentage under
19 this subparagraph for a fiscal year
20 that is more than 130 percent of the
21 allotment percentage of the State for
22 the preceding fiscal year.

23 “(iv) SMALL STATE MINIMUM ALLOT-
24 MENT.—Subject to clause (iii), the Sec-
25 retary shall ensure that no State shall re-

1 ceive an allotment under this subparagraph
2 that is less than the total of—

3 “(I) $\frac{3}{10}$ of 1 percent of
4 \$1,000,000,000 of the remainder de-
5 scribed in clause (i) for the fiscal
6 year; and

7 “(II) if the remainder described
8 in clause (i) for the fiscal year exceeds
9 \$1,000,000,000, $\frac{2}{5}$ of 1 percent of
10 the excess.

11 “(2) DEFINITIONS.—For the purposes of para-
12 graph (1):

13 “(A) ALLOTMENT PERCENTAGE.—The
14 term ‘allotment percentage’, used with respect
15 to fiscal year 2006 or a subsequent fiscal year,
16 means a percentage of the remainder described
17 in paragraph (1)(C)(i) that is received by the
18 State involved through an allotment made
19 under this subsection for the fiscal year. The
20 term, used with respect to fiscal year 2005,
21 means the percentage of the amounts allotted
22 to States under this chapter (as in effect on the
23 day before the date of enactment of the Work-
24 force Investment Act Amendments of 2005)

1 that is received by the State involved for fiscal
2 year 2003.

3 “(B) DISADVANTAGED YOUTH.—Subject to
4 paragraph (3), the term ‘disadvantaged youth’
5 means an individual who is age 16 through 21
6 who received an income, or is a member of a
7 family that received a total family income, that,
8 in relation to family size, does not exceed the
9 higher of—

10 “(i) the poverty line; or

11 “(ii) 70 percent of the lower living
12 standard income level.

13 “(C) FREELY ASSOCIATED STATE.—The
14 term ‘Freely Associated State’ means the Re-
15 public of the Marshall Islands, the Federated
16 States of Micronesia, and the Republic of
17 Palau.

18 “(3) SPECIAL RULE.—For purposes of the for-
19 mula specified in paragraph (1)(C), the Secretary
20 shall, as appropriate and to the extent practicable,
21 exclude college students and members of the Armed
22 Forces from the determination of the number of dis-
23 advantaged youth.”.

24 (b) REALLOTMENT.—

1 (1) AMENDMENT.—Section 127(c) (29 U.S.C.
2 2852(c)) is amended—

3 (A) by striking paragraph (2) and insert-
4 ing the following:

5 “(2) AMOUNT.—The amount available for real-
6 lotment for a program year is equal to the amount
7 by which the unexpended balance at the end of the
8 program year prior to the program year for which
9 the determination is made exceeds 30 percent of the
10 total amount of funds available to the State under
11 this section during such prior program year (includ-
12 ing amounts allotted to the State in all prior pro-
13 gram years that remained available). For purposes
14 of this paragraph, the unexpended balance is the
15 amount that is the difference between—

16 “(A) the total amount of funds available to
17 the State under this section during the program
18 year prior to the program year for which the
19 determination is made (including amounts allot-
20 ted to the State in all prior program years that
21 remained available); and

22 “(B) the accrued expenditures during such
23 prior program year.”;

24 (B) in paragraph (3)—

1 (i) by striking “for the prior program
2 year” and inserting “for the program year
3 for which the determination is made”; and

4 (ii) by striking “such prior program
5 year” and inserting “such program year”;

6 (C) by striking paragraph (4) and insert-
7 ing the following:

8 “(4) ELIGIBILITY.—For purposes of this sub-
9 section, an eligible State means a State that does
10 not have an amount available for reallocation under
11 paragraph (2) for the program year for which the
12 determination under paragraph (2) is made.”; and

13 (D) in paragraph (5), by striking “obliga-
14 tion” and inserting “accrued expenditure”.

15 (2) EFFECTIVE DATE.—The amendment made
16 by paragraph (1) shall take effect for the program
17 year that begins after the date of enactment of this
18 Act.

19 (c) WITHIN STATE ALLOCATIONS.—

20 (1) RESERVATION FOR STATEWIDE ACTIVI-
21 TIES.—Section 128(a) (29 U.S.C. 2853(a)) is
22 amended to read as follows:

23 “(a) RESERVATIONS FOR STATEWIDE ACTIVITIES.—

24 “(1) IN GENERAL.—The Governor of a State
25 shall reserve not more than 15 percent of each of

1 the amounts allotted to the State under section
2 127(b)(1)(C) and paragraphs (1)(B) and (2)(B) of
3 section 132(b) for a fiscal year for statewide work-
4 force investment activities.

5 “(2) USE OF FUNDS.—Regardless of whether
6 the reserved amounts were allotted under section
7 127(b)(1)(C), or under paragraph (1)(B) or (2)(B)
8 of section 132(b), the Governor may use the re-
9 served amounts to carry out statewide activities
10 under section 129(b) or statewide employment and
11 training activities, for adults or dislocated workers,
12 under section 134(a).”.

13 (2) WITHIN STATE ALLOCATION.—Section
14 128(b) (29 U.S.C. 2853(b)) is amended to read as
15 follows:

16 “(b) WITHIN STATE ALLOCATIONS.—

17 “(1) IN GENERAL.—Of the amount allotted to
18 the State under section 127(b)(1)(C) and not re-
19 served under subsection (a)(1)—

20 “(A) a portion equal to not less than 80
21 percent of such amount shall be allocated by
22 the Governor to local areas in accordance with
23 paragraph (2); and

24 “(B) a portion equal to not more than 20
25 percent of such amount may be allocated by the

1 Governor to local areas in accordance with
2 paragraph (3).

3 “(2) ESTABLISHED FORMULA.—

4 “(A) IN GENERAL.—Of the portion de-
5 scribed in paragraph (1)(A), the Governor shall
6 allocate—

7 “(i) $33\frac{1}{3}$ percent on the basis of the
8 relative number of individuals in the civil-
9 ian labor force who are ages 16 through 21
10 in each local area, compared to the total
11 number of individuals in the civilian labor
12 force who are ages 16 through 21 in all
13 local areas in the State;

14 “(ii) $33\frac{1}{3}$ percent on the basis of the
15 relative number of unemployed individuals
16 in each local area, compared to the total
17 number of unemployed individuals in all
18 local areas in the State; and

19 “(iii) $33\frac{1}{3}$ percent on the basis of the
20 relative number of disadvantaged youth
21 who are ages 16 through 21 in each local
22 area, compared to the total number of dis-
23 advantaged youth who are ages 16 through
24 21 in all local areas in the State.

1 “(B) MINIMUM AND MAXIMUM PERCENT-
2 AGES.—

3 “(i) MINIMUM PERCENTAGE.—The
4 Governor shall ensure that no local area
5 shall receive an allocation percentage under
6 this paragraph for a fiscal year that is less
7 than 90 percent of the allocation percent-
8 age of the local area for the preceding fis-
9 cal year.

10 “(ii) MAXIMUM PERCENTAGE.—Sub-
11 ject to clause (i), the Governor shall ensure
12 that no local area shall receive an alloca-
13 tion percentage under this paragraph for a
14 fiscal year that is more than 130 percent
15 of the allocation percentage of the local
16 area for the preceding fiscal year.

17 “(C) DEFINITIONS.—In this paragraph:

18 “(i) ALLOCATION PERCENTAGE.—The
19 term ‘allocation percentage’, used with re-
20 spect to fiscal year 2006 or a subsequent
21 fiscal year, means a percentage of the por-
22 tion described in paragraph (1)(A) that is
23 received by the local area involved through
24 an allocation made under this paragraph
25 for the fiscal year. The term, used with re-

1 spect to fiscal year 2005, means the per-
2 centage of the amounts allocated to local
3 areas under this chapter (as in effect on
4 the day before the date of enactment of the
5 Workforce Investment Act Amendments of
6 2005) that is received by the local area in-
7 volved for fiscal year 2003.

8 “(ii) DISADVANTAGED YOUTH.—The
9 term ‘disadvantaged youth’ means an indi-
10 vidual who—

11 “(I) is age 16 through 21;

12 “(II) is not a college student or
13 member of the Armed Forces; and

14 “(III) received an income, or is a
15 member of a family that received a
16 total family income, that, in relation
17 to family size, does not exceed the
18 higher of—

19 “(aa) the poverty line; or

20 “(bb) 70 percent of the
21 lower living standard income
22 level.

23 “(3) YOUTH DISCRETIONARY ALLOCATION.—

24 The Governor may allocate the portion described in
25 paragraph (1)(B) to local areas where there are a

1 significant number of eligible youth, after consulta-
2 tion with the State board and local boards.

3 “(4) LOCAL ADMINISTRATIVE COST LIMIT.—

4 “(A) IN GENERAL.—Of the amount allo-
5 cated to a local area under this subsection and
6 section 133(b) for a fiscal year, not more than
7 10 percent of the amount may be used by the
8 local board involved for the administrative costs
9 of carrying out local workforce investment ac-
10 tivities under this chapter or chapter 5.

11 “(B) USE OF FUNDS.—Funds made avail-
12 able for administrative costs under subpara-
13 graph (A) may be used for the administrative
14 costs of any of the local workforce investment
15 activities described in this chapter or chapter 5,
16 regardless of whether the funds were allocated
17 under this subsection or section 133(b).”.

18 (3) REALLOCATION.—

19 (A) AMENDMENT.—Section 128(c) (29
20 U.S.C. 2853(c)) is amended—

21 (i) in paragraph (1), by striking
22 “paragraph (2)(A) or (3) of”;

23 (ii) by striking paragraph (2) and in-
24 serting the following:

1 “(2) AMOUNT.—The amount available for re-
2 allocation for a program year is equal to the amount
3 by which the unexpended balance at the end of the
4 program year prior to the program year for which
5 the determination is made exceeds 30 percent of the
6 total amount of funds available to the local area
7 under this section during such prior program year
8 (including amounts allocated to the local area in all
9 prior program years that remained available). For
10 purposes of this paragraph, the unexpended balance
11 is the amount that is the difference between—

12 “(A) the total amount of funds available to
13 the local area under this section during the pro-
14 gram year prior to the program year for which
15 the determination is made (including amounts
16 allocated to the local area in all prior program
17 years that remained available); and

18 “(B) the accrued expenditures during such
19 prior program year.”;

20 (iii) by amending paragraph (3)—

21 (I) by striking “subsection
22 (b)(3)” each place it appears and in-
23 serting “subsection (b)”;

24 (II) by striking “for the prior
25 program year” the first place it ap-

1 pears and inserting “for the program
2 year for which the determination is
3 made”;

4 (III) by striking “such prior pro-
5 gram year” and inserting “such pro-
6 gram year”; and

7 (IV) by striking the last sen-
8 tence; and

9 (iv) by striking paragraph (4) and in-
10 serting the following:

11 “(4) ELIGIBILITY.—For purposes of this sub-
12 section, an eligible local area means a local area that
13 does not have an amount available for reallocation
14 under paragraph (2) for the program year for which
15 the determination under paragraph (2) is made.”.

16 (B) EFFECTIVE DATE.—The amendments
17 made by subparagraph (A) shall take effect for
18 the later of—

19 (i) the program year that begins after
20 the date of enactment of this Act; or

21 (ii) program year 2005.

22 (d) YOUTH PARTICIPANT ELIGIBILITY.—Section
23 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

24 “(a) YOUTH PARTICIPANT ELIGIBILITY.—

25 “(1) ELIGIBILITY.—

1 “(A) IN GENERAL.—To be eligible to par-
2 ticipate in activities carried out under this
3 chapter during any program year an individual
4 shall, at the time the eligibility determination is
5 made, be an out-of-school youth or an in-school
6 youth.

7 “(B) OUT-OF-SCHOOL YOUTH.—In this
8 title the term ‘out-of-school youth’ means an in-
9 dividual who is—

10 “(i) not younger than age 16 nor
11 older than age 21; and

12 “(ii) one of the following:

13 “(I) A school dropout.

14 “(II) A youth who is within the
15 age for compulsory school attendance,
16 but has not attended school for at
17 least 1 school year calendar quarter.

18 “(III) A recipient of a secondary
19 school diploma or its equivalent who
20 is—

21 “(aa) deficient in basic
22 skills, including limited English
23 proficiency;

24 “(bb) a low-income indi-
25 vidual; and

1 “(cc) not attending any
2 school.

3 “(IV) Subject to the juvenile jus-
4 tice system or ordered by a court to
5 an alternative school.

6 “(V) A low-income individual who
7 is pregnant or parenting and not at-
8 tending any school.

9 “(VI) A youth who is not attend-
10 ing school or a youth attending an al-
11 ternative school, who is homeless, a
12 runaway, a foster child, a child eligi-
13 ble for assistance under section 477 of
14 the Social Security Act (42 U.S.C.
15 677), or in an out-of-home placement.

16 “(VII) A low-income individual
17 who requires additional assistance to
18 complete an educational program or
19 to secure or hold employment.

20 “(C) IN-SCHOOL YOUTH.—In this section
21 the term ‘in-school youth’ means an individual
22 who is—

23 “(i) not younger than age 14 nor
24 older than age 21;

25 “(ii) a low-income individual; and

1 “(iii) one or more of the following:

2 “(I) Deficient in basic literacy
3 skills, including limited English pro-
4 ficiency.

5 “(II) Homeless, a runaway, a
6 foster child, a child eligible for assist-
7 ance under section 477 of the Social
8 Security Act (42 U.S.C. 677), or in
9 an out-of-home placement.

10 “(III) Pregnant or parenting.

11 “(IV) An offender (other than an
12 individual described in subparagraph
13 (B)(ii)(IV)).

14 “(V) An individual who requires
15 additional assistance to complete an
16 educational program or to secure or
17 hold employment.

18 “(2) EXCEPTION.—Not more than 5 percent of
19 the individuals assisted under this section in each
20 local area, in the case of individuals for whom low
21 income is a requirement for eligibility under this sec-
22 tion, may be individuals who are not low income.

23 “(3) LIMITATIONS ON ACTIVITIES FOR IN-
24 SCHOOL YOUTH.—

1 “(A) IN GENERAL.—For any program
2 year, not more than 60 percent of the funds
3 available for statewide activities under sub-
4 section (b), and not more than 60 percent of
5 funds available to local areas under subsection
6 (c), may be used to provide activities for in-
7 school youth meeting the requirements of para-
8 graph (1)(B).

9 “(B) EXCEPTION.—A State that receives a
10 minimum allotment under section 127(b)(1) in
11 accordance with section 127(b)(1)(C)(iv) or
12 under section 132(b)(1) in accordance with sec-
13 tion 132(b)(1)(B)(iv)(II) may increase the per-
14 centage described in subparagraph (A) for a
15 local area in the State, if—

16 “(i) after an analysis of the eligible
17 youth population in the local area, the
18 State determines that the local area will be
19 unable to use at least 40 percent of the
20 funds available for activities under sub-
21 section (b) or (c) to serve out-of-school
22 youth due to a low number of out-of-school
23 youth; and

24 “(ii)(I) the State submits to the Sec-
25 retary, for the local area, a request includ-

1 ing a proposed increased percentage for
2 purposes of subparagraph (A), and the
3 summary of the eligible youth population
4 analysis; and

5 “(II) the request is approved by the
6 Secretary.

7 “(4) CONSISTENCY WITH COMPULSORY SCHOOL
8 ATTENDANCE LAWS.—In providing assistance under
9 this section to an individual who is required to at-
10 tend school under applicable State compulsory school
11 attendance laws, the priority in providing such as-
12 sistance shall be for the individual to attend school
13 regularly.”.

14 (e) STATEWIDE ACTIVITIES.—Section 129(b) (29
15 U.S.C. 2854(b)) is amended to read as follows:

16 “(b) STATEWIDE ACTIVITIES.—

17 “(1) IN GENERAL.—Funds reserved by a Gov-
18 ernor for a State as described in sections 128(a) and
19 133(a)(1) shall be used, regardless of whether the
20 funds were allotted to the State under section
21 127(b)(1)(C) or under paragraph (1)(B) or (2)(B)
22 of section 132(b) for statewide activities, which may
23 include—

24 “(A) conducting—

1 “(i) evaluations under section 136(e)
2 of activities authorized under this chapter
3 and chapter 5 in coordination with evalua-
4 tions carried out by the Secretary under
5 section 172;

6 “(ii) research; and

7 “(iii) demonstration projects;

8 “(B) providing incentive grants to local
9 areas for regional cooperation among local
10 boards (including local boards in a designated
11 region as described in section 116(c)), for local
12 coordination of activities carried out under this
13 title, and for performance by local areas as de-
14 scribed in section 136(i)(2);

15 “(C) providing technical assistance and ca-
16 pacity building activities to local areas, one-stop
17 operators, one-stop partners, and eligible pro-
18 viders, including the development and training
19 of staff, the development of exemplary program
20 activities, the provision of technical assistance
21 to local areas that fail to meet local perform-
22 ance measures described in section 136(c), and
23 the provision of technology to facilitate remote
24 access to services provided through one-stop de-
25 livery systems;

1 “(D) operating a fiscal and management
2 accountability information system under section
3 136(f);

4 “(E) carrying out monitoring and over-
5 sight of activities carried out under this chapter
6 and chapter 5, which may include a review com-
7 paring the services provided to male and female
8 youth;

9 “(F) providing additional assistance to
10 local areas that have high concentrations of eli-
11 gible youth;

12 “(G) supporting the development of alter-
13 native programs and other activities that en-
14 hance the choices available to eligible youth and
15 encourage such youth to reenter secondary edu-
16 cation, enroll in postsecondary education and
17 advanced training, and obtain career path em-
18 ployment; and

19 “(H) supporting the provision of core serv-
20 ices described in section 134(d)(2) in the one-
21 stop delivery system in the State.

22 “(2) LIMITATION.—Not more than 5 percent of
23 the funds allotted to a State under section
24 127(b)(1)(C) shall be used by the State for adminis-

1 trative activities carried out under this subsection or
2 section 134(a).

3 “(3) PROHIBITION.—No funds described in this
4 subsection may be used to develop or implement
5 education curricula for school systems in the
6 State.”.

7 (f) LOCAL ELEMENTS AND REQUIREMENTS.—

8 (1) PROGRAM DESIGN.—Section 129(c)(1) (29
9 U.S.C. 2854(c)(1)) is amended—

10 (A) in the matter that precedes subpara-
11 graph (A), by striking “paragraph (2)(A) or
12 (3), as appropriate, of”;

13 (B) in subparagraph (B), by inserting “are
14 directly linked to 1 or more of the performance
15 measures relating to this chapter under section
16 136, and that” after “for each participant
17 that”; and

18 (C) in subparagraph (C)—

19 (i) by redesignating clauses (i)
20 through (iv) as clauses (ii) through (v), re-
21 spectively;

22 (ii) by inserting before clause (ii) (as
23 redesignated by clause (i)) the following:

24 “(i) activities leading to the attain-
25 ment of a secondary school diploma or its

1 equivalent, or another recognized creden-
2 tial;”;

3 (iii) in clause (ii) (as redesignated by
4 clause (i)), by inserting “and advanced
5 training” after “opportunities”;

6 (iv) in clause (iii) (as redesignated by
7 clause (i))—

8 (I) by inserting “instruction
9 based on State academic content and
10 student academic achievement stand-
11 ards established under section 1111 of
12 the Elementary and Secondary Edu-
13 cation Act of 1965 (20 U.S.C. 6311)”
14 after “academic”; and

15 (II) by inserting “that lead to the
16 attainment of recognized credentials”
17 after “learning”; and

18 (v) by striking clause (v) (as redesign-
19 ated by clause (i)) and inserting the fol-
20 lowing:

21 “(v) effective connections to all em-
22 ployers, including small employers, in sec-
23 tors of the local and regional labor markets
24 that are experiencing high growth in em-
25 ployment opportunities.”.

1 (2) PROGRAM ELEMENTS.—Section 129(c)(2)
2 (29 U.S.C. 2854(c)(2)) is amended—

3 (A) in subparagraph (A), by striking “sec-
4 ondary school, including dropout prevention
5 strategies” and inserting “the requirements for
6 a secondary school diploma or its recognized
7 equivalent (including recognized alternative
8 standards for individuals with disabilities) or
9 for another recognized credential, including
10 dropout prevention strategies”;

11 (B) in subparagraph (B), by inserting “,
12 with a priority on exposing youth to technology
13 and nontraditional jobs” before the semicolon;

14 (C) in subparagraph (F), by striking “dur-
15 ing nonschool hours”;

16 (D) in subparagraph (I), by striking “and”
17 at the end;

18 (E) in subparagraph (J), by striking the
19 period at the end and inserting a semicolon;
20 and

21 (F) by adding at the end the following:

22 “(K) on-the-job training opportunities;

23 “(L) opportunities to acquire financial lit-
24 eracy skills;

1 “(M) entrepreneurial skills training and
2 microenterprise services; and

3 “(N) information about average wages for
4 a range of jobs available in the local area, in-
5 cluding technology jobs.”.

6 (3) ADDITIONAL REQUIREMENTS.—Section
7 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended
8 in the matter preceding clause (i) by striking “or ap-
9 plicant who meets the minimum income criteria to
10 be considered an eligible youth”.

11 (4) PRIORITY AND EXCEPTIONS.—Section
12 129(c) (29 U.S.C. 2854(c)) is amended by striking
13 paragraphs (4) and (5).

14 (5) PROHIBITIONS AND LINKAGES.—Section
15 129(c) (29 U.S.C. 2854(c)), as amended by para-
16 graph (4), is further amended—

17 (A) by redesignating paragraphs (6), (7),
18 and (8) as paragraphs (4), (5), and (6), respec-
19 tively;

20 (B) in paragraph (4) (as redesignated by
21 subparagraph (A))—

22 (i) by striking subparagraph (B); and

23 (ii) by redesignating subparagraph

24 (C) as subparagraph (B); and

1 (C) in paragraph (5) (as redesignated by
2 subparagraph (A)), by striking “youth councils”
3 and inserting “local boards”.

4 **SEC. 121. ADULT AND DISLOCATED WORKER EMPLOYMENT**
5 **AND TRAINING ACTIVITIES.**

6 (a) STATE ALLOTMENTS.—

7 (1) RESERVATIONS.—Section 132(a)(2)(A) (29
8 U.S.C. 2862 (a)(2)(A)) is amended by striking “na-
9 tional emergency grants, other than under sub-
10 section (a)(4), (f), and (g)” and inserting “national
11 dislocated worker grants, other than under para-
12 graph (4) or (5) of subsection (a), subsection (e),
13 and subsection (f)”.

14 (2) ALLOTMENT AMONG STATES.—Section
15 132(b) (29 U.S.C. 2862(b)) is amended—

16 (A) in paragraph (1)(A)(ii), by striking
17 “section 127(b)(1)(B),” and all that follows and
18 inserting “section 127(b)(1)(B).”;

19 (B) by striking paragraph (1)(B)(ii) and
20 inserting the following:

21 “(ii) FORMULA.—Subject to clauses
22 (iii) and (iv), of the remainder—

23 “(I) 40 percent shall be allotted
24 on the basis of the relative number of
25 unemployed individuals in areas of

1 substantial unemployment in each
2 State, compared to the total number
3 of unemployed individuals in areas of
4 substantial unemployment in all
5 States;

6 “(II) 25 percent shall be allotted
7 on the basis of the relative number of
8 individuals in the civilian labor force
9 in each State, compared to the total
10 number of such individuals in all
11 States; and

12 “(III) 35 percent shall be allotted
13 on the basis of the relative number of
14 disadvantaged adults in each State,
15 compared to the total number of dis-
16 advantaged adults in all States, except
17 as described in clause (iii).”;

18 (C) in paragraph (1)(B)—

19 (i) in clause (iii), by striking “section
20 116(a)(2)(B)” and inserting “section
21 116(a)(2)(A)(iii)”;

22 (ii) in clause (iv)—

23 (I) in subclause (I), by striking
24 “Subject to subclause (IV), the” and
25 inserting “The”;

1 (II) in subclause (II), by striking
2 “subclauses (I), (III), and (IV)” and
3 inserting “subclauses (I) and (III)”;
4 and
5 (III) by striking subclause (IV);
6 and
7 (iii) in clause (v), by striking sub-
8 clause (VI); and
9 (D) in paragraph (2)(A)(ii), by striking
10 “section 127(b)(1)(B)” and all that follows and
11 inserting “section 127(b)(1)(B).”.

12 (3) REALLOTMENT.—Section 132(c) (29 U.S.C.
13 2862(c)) is amended—

14 (A) by striking paragraph (2) and insert-
15 ing the following:

16 “(2) AMOUNT.—The amount available for real-
17 lotment for a program year for programs funded
18 under subsection (b)(1)(B) (relating to adult em-
19 ployment and training) and subsection (b)(2)(B) (re-
20 lating to dislocated worker employment and train-
21 ing), respectively, is equal to the amount by which
22 the unexpended balance at the end of the program
23 year prior to the program year for which the deter-
24 mination is made exceeds 30 percent of the total
25 amount of funds available to the State under sub-

1 section (b)(1)(B) or (b)(2)(B), respectively, during
2 such prior program year (including amounts allotted
3 to the State in all prior program years under such
4 provisions that remained available). For purposes of
5 this paragraph, the unexpended balance is the
6 amount that is the difference between—

7 “(A) the total amount of funds available to
8 the State under subsection (b)(1)(B) or
9 (b)(2)(B), respectively, during the program year
10 prior to the program year for which the deter-
11 mination is made (including amounts allotted to
12 the State in all prior program years under such
13 provisions that remained available); and

14 “(B) the accrued expenditures from such
15 total amount of funds available under sub-
16 section (b)(1)(B) or (b)(2)(B), respectively,
17 during such prior program year.”;

18 (B) in paragraph (3)—

19 (i) by striking “under this section for
20 such activities for the prior program year”
21 and inserting “under subsection (b)(1)(B)
22 or (b)(2)(B), as appropriate, for the pro-
23 gram year for which the determination is
24 made”; and

1 (ii) by striking “under this section for
2 such activities for such prior program
3 year” and inserting “under subsection
4 (b)(1)(B) or (b)(2)(B), as appropriate, for
5 such program year”;

6 (C) by striking paragraph (4) and insert-
7 ing the following:

8 “(4) ELIGIBILITY.—For purposes of this sub-
9 section, an eligible State means—

10 “(A) with respect to funds allotted under
11 subsection (b)(1)(B), a State that does not have
12 an amount of such funds available for reallocot-
13 ment under paragraph (2) for the program year
14 for which the determination under paragraph
15 (2) is made; and

16 “(B) with respect to funds allotted under
17 subsection (b)(2)(B), a State that does not have
18 an amount of such funds available for reallocot-
19 ment under paragraph (2) for the program year
20 for which the determination under paragraph
21 (2) is made.”; and

22 (D) in paragraph (5), by striking “obliga-
23 tion” and inserting “accrued expenditure”.

24 (4) EFFECTIVE DATE.—The amendments made
25 by paragraph (3) shall take effect for the later of—

1 (A) the program year that begins after the
2 date of enactment of this Act; or

3 (B) program year 2005.

4 (b) WITHIN STATE ALLOCATIONS.—

5 (1) ALLOCATION.—Section 133(b)(2)(A)(i) (29
6 U.S.C. 2863(b)(2)(A)(i)) is amended—

7 (A) in subclause (I), by striking “33 $\frac{1}{3}$
8 percent” and inserting “40 percent”;

9 (B) in subclause (II), by striking “33 $\frac{1}{3}$
10 percent” and inserting “25 percent”; and

11 (C) in subclause (III), by striking “33 $\frac{1}{3}$
12 percent” and inserting “35 percent”.

13 (2) TRANSFER AUTHORITY.—Section 133(b)(4)
14 (29 U.S.C. 2863(b)(4)) is amended by striking “20
15 percent” each place it appears and inserting “45
16 percent”.

17 (3) REQUIREMENTS.—Clauses (i) and (ii) of
18 section 133(b)(5)(B) (29 U.S.C. 2863(b)(5)(B)) are
19 amended by striking “section 134(c)” and inserting
20 “section 121(e)”.

21 (4) REALLOCATION.—Section 133(c) (29
22 U.S.C. 2863(c)) is amended—

23 (A) in paragraph (1), by inserting “, and
24 under subsection (b)(2)(B) for dislocated work-

1 er employment and training activities,” after
2 “activities”;

3 (B) by striking paragraph (2) and insert-
4 ing the following:

5 “(2) AMOUNT.—The amount available for re-
6 allocation for a program year for programs funded
7 under paragraphs (2)(A) and (3) of subsection (b)
8 (relating to adult employment and training) and
9 subsection (b)(2)(B) (relating to dislocated worker
10 employment and training), respectively, is equal to
11 the amount by which the unexpended balance at the
12 end of the program year prior to the program year
13 for which the determination is made exceeds 30 per-
14 cent of the total amount of funds available to the
15 local area under paragraphs (2)(A) and (3) of sub-
16 section (b), or subsection (b)(2)(B), respectively,
17 during such prior program year (including amounts
18 allocated to the local area in all prior program years
19 under such provisions that remained available). For
20 purposes of this paragraph, the unexpended balance
21 is the amount that is the difference between—

22 “(A) the total amount of funds available to
23 the local area under paragraphs (2)(A) and (3)
24 of subsection (b), or subsection (b)(2)(B), re-
25 spectively, during the program year prior to the

1 program year for which the determination is
2 made (including amounts allotted to the local
3 area in all prior program years under such pro-
4 visions that remained available); and

5 “(B) the accrued expenditures from such
6 total amount of funds available under para-
7 graphs (2)(A) and (3) of subsection (b), or sub-
8 section (b)(2)(B), respectively, during such
9 prior program year.”;

10 (C) by striking paragraph (3) and insert-
11 ing the following:

12 “(3) REALLOCATION.—In making reallocations
13 to eligible local areas of amounts available pursuant
14 to paragraph (2) for a program year, the Governor
15 shall allocate to each eligible local area within the
16 State—

17 “(A) with respect to amounts that are
18 available for reallocation under paragraph (2)
19 that were allocated under paragraphs (2)(A) or
20 (3) of subsection (b), an amount based on the
21 relative amount allocated to such local area
22 under paragraphs (2)(A) or (3) of subsection
23 (b), as appropriate, for the program year for
24 which the determination is made, as compared
25 to the total amount allocated to all eligible local

1 areas under paragraphs (2)(A) or (3) of sub-
2 section (b), as appropriate, for such program
3 year; and

4 “(B) with respect to amounts that are
5 available for reallocation under paragraph (2)
6 that were allocated under subsection (b)(2)(B),
7 an amount based on the relative amount allo-
8 cated to such local area under subsection
9 (b)(2)(B) for the program year for which the
10 determination is made, as compared to the total
11 amount allocated to all eligible local areas
12 under subsection (b)(2)(B) for such program
13 year.”; and

14 (D) by striking paragraph (4) and insert-
15 ing the following:

16 “(4) ELIGIBILITY.—For purposes of this sub-
17 section, an eligible local area means—

18 “(A) with respect to funds allocated under
19 paragraphs (2)(A) or (3) of subsection (b), a
20 local area that does not have an amount of such
21 funds available for reallocation under paragraph
22 (2) for the program year for which the deter-
23 mination under paragraph (2) is made; and

24 “(B) with respect to funds allocated under
25 subsection (b)(2)(B), a local area that does not

1 have an amount of such funds available for re-
2 allocation under paragraph (2) for the program
3 year for which the determination under para-
4 graph (2) is made.”.

5 (5) EFFECTIVE DATE.—The amendments made
6 by paragraph (3) shall take effect for the later of—

7 (A) the program year that begins after the
8 date of enactment of this Act; or

9 (B) program year 2005.

10 (c) USE OF FUNDS FOR EMPLOYMENT AND TRAIN-
11 ING ACTIVITIES.—

12 (1) STATEWIDE EMPLOYMENT AND TRAINING
13 ACTIVITIES.—

14 (A) STATEWIDE RAPID RESPONSE ACTIVI-
15 TIES.—Section 134(a)(2)(A) (29 U.S.C.
16 2864(a)(2)(A)) is amended to read as follows:

17 “(A) STATEWIDE RAPID RESPONSE ACTIVI-
18 TIES.—

19 “(i) IN GENERAL.—A State shall
20 carry out statewide rapid response activi-
21 ties using funds reserved by a Governor for
22 a State under section 133(a)(2). Such ac-
23 tivities shall include—

24 “(I) provision of rapid response
25 activities, carried out in local areas by

1 the State or by an entity designated
2 by the State, working in conjunction
3 with the local boards and the chief
4 elected officials for the local areas;
5 and

6 “(II) provision of additional as-
7 sistance to local areas that experience
8 disasters, mass layoffs, or plant clos-
9 ings, or other events that precipitate
10 substantial increases in the number of
11 unemployed individuals, carried out in
12 local areas by the State, working in
13 conjunction with the local boards and
14 the chief elected officials for the local
15 areas.

16 “(ii) USE OF UNEXPENDED FUNDS.—
17 Funds reserved under section 133(a)(2) to
18 carry out this subparagraph that remain
19 unexpended after the first program year
20 for which such funds were allotted may be
21 used by the Governor to carry out state-
22 wide activities authorized under subpara-
23 graph (B) and paragraph (3)(A) in addi-
24 tion to activities under this subpara-
25 graph.”.

1 (B) STATEWIDE EMPLOYMENT AND TRAIN-
2 ING ACTIVITIES.—Section 134(a)(2) (29 U.S.C.
3 2864(a)(2)) is amended by striking subpara-
4 graph (B) and inserting the following:

5 “(B) STATEWIDE EMPLOYMENT AND
6 TRAINING ACTIVITIES.—Funds reserved by a
7 Governor for a State under sections 128(a)(1)
8 and 133(a)(1) and not used under paragraph
9 (1)(A) (regardless of whether the funds were al-
10 lotted to the States under section 127(b)(1)(C)
11 or paragraphs (1)(B) or (2)(B) of section
12 132(b)) shall be used for statewide employment
13 and training activities, including—

14 “(i) disseminating—

15 “(I) the State list of eligible pro-
16 viders of training services, including
17 eligible providers of nontraditional
18 training services;

19 “(II) information identifying eli-
20 gible providers of on-the-job training
21 and customized training;

22 “(III) performance information
23 and program cost information, as de-
24 scribed in subsections (d) and (i) of
25 section 122; and

1 “(IV) information on physical
2 and programmatic accessibility for in-
3 dividuals with disabilities;

4 “(ii) conducting evaluations under
5 section 136(e) of activities authorized
6 under this chapter and chapter 5 in coordi-
7 nation with evaluations carried out by the
8 Secretary under section 172;

9 “(iii) providing incentive grants to
10 local areas in recognition of exceptional
11 achievement relating to—

12 “(I) regional cooperation among
13 local boards (including local boards in
14 a designated region as described in
15 section 116(c));

16 “(II) expanded local coordination
17 of programs and activities carried out
18 as part of a comprehensive workforce
19 investment system, including—

20 “(aa) employment services
21 under the Wagner-Peyser Act
22 (29 U.S.C. 49 et seq.) and core
23 activities under this title; and

24 “(bb) one-stop partner pro-
25 grams described in section 121;

1 “(III) performance by local areas
2 as described in section 136(i)(2); and

3 “(IV) providing expanded access
4 to education and training services, es-
5 pecially through increased leveraging
6 of resources other than those provided
7 through programs under this title;

8 “(iv) developing strategies for ensur-
9 ing that activities carried out under this
10 section are placing men and women in
11 jobs, education, and training that lead to
12 comparable pay;

13 “(v) providing technical assistance
14 and capacity building to local areas, one-
15 stop operators, one-stop partners, and eli-
16 gible providers, including the development
17 and training of staff, the development of
18 exemplary program activities, and the pro-
19 vision of technical assistance to local areas
20 that fail to meet local performance meas-
21 ures described in section 136(c), which
22 may include the development and training
23 of staff to provide opportunities for hard-
24 to-serve populations to enter high-wage,

1 high-skilled, and nontraditional occupa-
2 tions;

3 “(vi) operating a fiscal and manage-
4 ment accountability system under section
5 136(f); and

6 “(vii) carrying out monitoring and
7 oversight of activities carried out under
8 this chapter and chapter 4.”.

9 (C) ALLOWABLE STATEWIDE EMPLOYMENT
10 AND TRAINING ACTIVITIES.—Section
11 134(a)(3)(A) (29 U.S.C. 2864(a)(3)(A) is
12 amended to read as follows:

13 “(A) IN GENERAL.—Funds reserved by a
14 Governor for a State under sections 128(a)(1)
15 and 133(a)(1) and not used under paragraph
16 (1)(A) or (2)(B) (regardless of whether the
17 funds were allotted to the State under section
18 127(b)(1)(C) or paragraph (1)(B) or (2)(B) of
19 section 132(b)) may be used to carry out addi-
20 tional statewide employment and training activi-
21 ties, which may include—

22 “(i) implementing innovative pro-
23 grams and strategies designed to meet the
24 needs of all businesses in the State, includ-
25 ing small businesses, which may include in-

1 cumbent worker training programs, sec-
2 toral and industry cluster strategies and
3 partnerships, including regional skills alli-
4 ances, career ladder programs, micro-en-
5 terprise and entrepreneurial training and
6 support programs, utilization of effective
7 business intermediaries, activities to im-
8 prove linkages between the one-stop deliv-
9 ery systems in the State and all employers
10 (including small employers) in the State,
11 and other business services and strategies
12 that better engage employers in workforce
13 investment activities and make the work-
14 force investment system more relevant to
15 the needs of State and local businesses,
16 consistent with the objectives of this title;

17 “(ii) developing strategies for effec-
18 tively serving hard-to-serve populations
19 and for coordinating programs and services
20 among one-stop partners;

21 “(iii) implementing innovative pro-
22 grams for displaced homemakers, which for
23 purposes of this clause may include an in-
24 dividual who is receiving public assistance
25 and is within 2 years of exhausting lifetime

1 eligibility under part A of title IV of the
2 Social Security Act (42 U.S.C. 601 et
3 seq.);

4 “(iv) implementing programs to in-
5 crease the number of individuals training
6 for and placed in nontraditional employ-
7 ment;

8 “(v) carrying out activities to facili-
9 tate remote access to services, including
10 training services described in subsection
11 (d)(4), provided through a one-stop deliv-
12 ery system, including facilitating access
13 through the use of technology;

14 “(vi) supporting the provision of core
15 services described in subsection (d)(2) in
16 the one-stop delivery system in the State;

17 “(vii) coordinating with the child wel-
18 fare system to facilitate services for chil-
19 dren in foster care and those who are eligi-
20 ble for assistance under section 477 of the
21 Social Security Act (42 U.S.C. 677);

22 “(viii) activities—

23 “(I) to improve coordination be-
24 tween workforce investment activities

1 carried out within the State involved
2 and economic development activities;

3 “(II) to improve coordination be-
4 tween employment and training assist-
5 ance, child support services, and as-
6 sistance provided by State and local
7 agencies carrying out part D of title
8 IV of the Social Security Act (42
9 U.S.C. 651 et seq.);

10 “(III) to improve coordination
11 between employment and training as-
12 sistance and cooperative extension
13 programs carried out by the Depart-
14 ment of Agriculture;

15 “(IV) to improve coordination be-
16 tween employment and training assist-
17 ance and programs carried out in the
18 local area for individuals with disabil-
19 ities, including programs carried out
20 by State agencies relating to mental
21 retardation and developmental disabil-
22 ities, Statewide Independent Living
23 Councils established under section
24 705 of the Rehabilitation Act of 1973
25 (29 U.S.C. 796d), and centers for

1 independent living defined in section
2 702 of the Rehabilitation Act of 1973
3 (29 U.S.C. 796a);

4 “(V) to develop and disseminate
5 workforce and labor market informa-
6 tion; and

7 “(VI) to improve coordination
8 with the corrections system to facili-
9 tate provision of training services and
10 employment opportunities that will as-
11 sist ex-offenders in reentering the
12 workforce;

13 “(ix) conducting—

14 “(I) research; and

15 “(II) demonstration projects; and

16 “(x) adopting, calculating, or commis-
17 sioning a minimum self-sufficiency stand-
18 ard that specifies the income needs of fam-
19 ilies, by family size, the number and ages
20 of children in the family, and sub-State
21 geographical considerations.”.

22 (2) REQUIRED LOCAL EMPLOYMENT AND
23 TRAINING ACTIVITIES.—

1 (A) ALLOCATED FUNDS.—Section
2 134(d)(1)(A) (29 U.S.C. 2864(d)(1)(A)) is
3 amended—

4 (i) in clause (i), by striking “described
5 in subsection (c)”;

6 (ii) in clause (iii), by striking “and”
7 at the end;

8 (iii) in clause (iv), by striking the pe-
9 riod and inserting a semicolon; and

10 (iv) by adding at the end the fol-
11 lowing:

12 “(v) to designate a dedicated business
13 liaison in the local area who may be funded
14 with funds provided under this title or
15 from other sources to establish and develop
16 relationships and networks with large and
17 small employers and their intermediaries;
18 and

19 “(vi) in order to avoid duplication of
20 services and enhance coordination of serv-
21 ices, to require the colocation of employ-
22 ment services provided under the Wagner-
23 Peyser Act (29 U.S.C. 49 et seq.) at the
24 one-stop centers.”.

1 (B) CORE SERVICES.—Section 134(d)(2)
2 (29 U.S.C. 2864(d)(2)) is amended—

3 (i) in the matter preceding subpara-
4 graph (A), by striking “paragraph (1)(A)”
5 and inserting “paragraph (1)”;

6 (ii) by striking subparagraph (D) and
7 inserting the following:

8 “(D) labor exchange services, including—

9 “(i) job search and placement assist-
10 ance and, in appropriate cases, career
11 counseling, including—

12 “(I) exposure to high wage, high
13 skill jobs; and

14 “(II) nontraditional employment;
15 and

16 “(ii) appropriate recruitment and
17 other business services for all employers,
18 including small employers, in the local
19 area, which may include services described
20 in this subsection, including information
21 and referral to specialized business services
22 not traditionally offered through the one-
23 stop delivery system;”;

24 (iii) in subparagraph (E)(iii)—

1 (I) by inserting “, career lad-
2 ders,” after “earnings”; and

3 (II) by striking “and” at the end;
4 (iv) in subparagraph (F)—

5 (I) by striking “and program cost
6 information”; and

7 (II) by striking “described in sec-
8 tion 123”;

9 (v) by striking subparagraph (H) and
10 inserting the following:

11 “(H) provision of accurate information, in
12 formats that are usable and understandable to
13 all one-stop center customers, relating to the
14 availability of supportive services or assistance,
15 including child care, child support, medical or
16 child health assistance under title XIX or XXI
17 of the Social Security Act (42 U.S.C. 1396 et
18 seq. and 1397aa et seq.), benefits under the
19 Food Stamp Act of 1977 (7 U.S.C. 2011 et
20 seq.), the earned income tax credit under sec-
21 tion 32 of the Internal Revenue Code of 1986,
22 and assistance under a State program funded
23 under part A of title IV of the Social Security
24 Act (42 U.S.C. 601 et seq.) and other sup-
25 portive services and transportation provided

1 through funds made available under such part,
2 available in the local area, and referral to such
3 services or assistance as appropriate;” and

4 (vi) in subparagraph (J), by striking
5 “for—” and all that follows through “(ii)
6 programs” and inserting “for programs”.

7 (C) INTENSIVE SERVICES.—Section
8 134(d)(3) (29 U.S.C. 2864(d)(3)) is amended—

9 (i) by striking subparagraph (A) and
10 inserting the following:

11 “(A) IN GENERAL.—

12 “(i) ELIGIBILITY.—Except as pro-
13 vided in clause (ii), funds allocated to a
14 local area for adults under paragraph
15 (2)(A) or (3), as appropriate, of section
16 133(b), and funds allocated to the local
17 area for dislocated workers under section
18 133(b)(2)(B), shall be used to provide in-
19 tensive services to adults and dislocated
20 workers, respectively—

21 “(I) who are unemployed and
22 who, after an interview, evaluation, or
23 assessment, have been determined by
24 a one-stop operator or one-stop part-
25 ner to be—

1 “(aa) unlikely or unable to
2 obtain employment, that leads to
3 self-sufficiency or wages com-
4 parable to or higher than pre-
5 vious employment, through core
6 services described in paragraph
7 (2); and

8 “(bb) in need of intensive
9 services to obtain employment
10 that leads to self-sufficiency or
11 wages comparable to or higher
12 than previous employment; or

13 “(II) who are employed, but who,
14 after an interview, evaluation, or as-
15 sessment are determined by a one-
16 stop operator or one-stop partner to
17 be in need of intensive services to ob-
18 tain or retain employment that leads
19 to self-sufficiency.

20 “(ii) SPECIAL RULE.—A new inter-
21 view, evaluation, or assessment of a partic-
22 ipant is not required under clause (i) if the
23 one-stop operator or one-stop partner de-
24 termines that it is appropriate to use a re-
25 cent assessment of the participant con-

1 ducted pursuant to another education or
2 training program.”; and

3 (ii) in subparagraph (C)—

4 (I) in clause (v), by striking “for
5 participants seeking training services
6 under paragraph (4)”; and

7 (II) by adding at the end the fol-
8 lowing:

9 “(vii) Internships and work experi-
10 ence.

11 “(viii) Literacy activities relating to
12 basic work readiness, and financial literacy
13 activities.

14 “(ix) Out-of-area job search assistance
15 and relocation assistance.

16 “(x) English language acquisition and
17 integrated training programs.”.

18 (D) TRAINING SERVICES.—Section
19 134(d)(4) (29 U.S.C. 2864(d)(4)) is amended—

20 (i) by striking subparagraph (A) and
21 inserting the following:

22 “(A) IN GENERAL.—

23 “(i) ELIGIBILITY.—Except as pro-
24 vided in clause (ii), funds allocated to a
25 local area for adults under paragraph

1 (2)(A) or (3), as appropriate, of section
2 133(b), and funds allocated to the local
3 area for dislocated workers under section
4 133(b)(2)(B), shall be used to provide
5 training services to adults and dislocated
6 workers, respectively—

7 “(I) who, after an interview, eval-
8 uation, or assessment, and case man-
9 agement, have been determined by a
10 one-stop operator or one-stop partner,
11 as appropriate, to—

12 “(aa) be unlikely or unable
13 to obtain or retain employment,
14 that leads to self-sufficiency or
15 wages comparable to or higher
16 than previous employment,
17 through the intensive services de-
18 scribed in paragraph (3);

19 “(bb) be in need of training
20 services to obtain or retain em-
21 ployment that leads to self-suffi-
22 ciency or wages comparable to or
23 higher than previous employ-
24 ment; and

1 “(cc) have the skills and
2 qualifications to successfully par-
3 ticipate in the selected program
4 of training services;

5 “(II) who select programs of
6 training services that are directly
7 linked to the employment opportuni-
8 ties in the local area or region in-
9 volved or in another area to which the
10 adults or dislocated workers are will-
11 ing to commute or relocate;

12 “(III) who meet the requirements
13 of subparagraph (B); and

14 “(IV) who are determined to be
15 eligible in accordance with the priority
16 system in effect under subparagraph
17 (E).

18 “(ii) SPECIAL RULE.—A new inter-
19 view, evaluation, or assessment of a partic-
20 ipant is not required under clause (i) if the
21 one-stop operator or one-stop partner de-
22 termines that it is appropriate to use a re-
23 cent assessment of the participant con-
24 ducted pursuant to another education or
25 training program.”;

1 (ii) in subparagraph (B)(i), by strik-
2 ing “Except” and inserting “Notwith-
3 standing section 479B of the Higher Edu-
4 cation Act of 1965 (20 U.S.C. 1087uu)
5 and except”;

6 (iii) in subparagraph (D)—

7 (I) in clause (viii), by striking
8 “and” after the semicolon;

9 (II) in clause (ix), by striking the
10 period and inserting “; and”; and

11 (III) by adding at the end the
12 following:

13 “(x) English language acquisition and
14 integrated training programs.”;

15 (iv) in subparagraph (F)—

16 (I) in clause (ii), by striking “re-
17 ferred to in subsection (c), shall make
18 available—” and all that follows and
19 inserting “shall make available a list
20 of eligible providers of training serv-
21 ices, and accompanying information,
22 in accordance with section 122(d).”;

23 (II) in the heading of clause (iii),
24 by striking “INDIVIDUAL TRAINING

1 ACCOUNTS” and inserting “CAREER
2 SCHOLARSHIP ACCOUNTS”;

3 (III) in clause (iii)—

4 (aa) by striking “identifying
5 information” and inserting “ac-
6 companying information”;

7 (bb) by striking “clause
8 (ii)(I)” and inserting “clause
9 (ii)”;

10 (cc) by striking “an indi-
11 vidual training account” and in-
12 serting “a career scholarship ac-
13 count”; and

14 (IV) by adding at the end the fol-
15 lowing:

16 “(iv) COORDINATION.—Each local
17 board may, through one-stop centers, co-
18 ordinate career scholarship accounts with
19 other Federal, State, local, or private job
20 training programs or sources to assist the
21 individual in obtaining training services.”;
22 and

23 (v) in subparagraph (G)—

24 (I) in the subparagraph heading,
25 by striking “INDIVIDUAL TRAINING

1 ACCOUNTS” and inserting “CAREER
2 SCHOLARSHIP ACCOUNTS”;

3 (II) in clause (i), by striking “in-
4 dividual training accounts” and in-
5 serting “career scholarship accounts”;

6 (III) in clause (ii)—

7 (aa) by striking “an indi-
8 vidual training account” and in-
9 serting “a career scholarship ac-
10 count”;

11 (bb) in subclause (II), by
12 striking “individual training ac-
13 counts” and inserting “career
14 scholarship accounts”;

15 (cc) in subclause (II) by
16 striking “or” after the semicolon;

17 (dd) in subclause (III), by
18 striking “special participant pop-
19 ulations that face multiple bar-
20 riers to employment” and insert-
21 ing “hard-to-serve populations”;

22 (ee) in subclause (III), by
23 striking the period and inserting
24 “; or”; and

1 (ff) by adding at the end the
2 following:

3 “(IV) the local board determines
4 that it would be most appropriate to
5 award a contract to an institution of
6 higher education in order to facilitate
7 the training of multiple individuals in
8 high-demand occupations, if such con-
9 tract does not limit customer choice.”;
10 and

11 (IV) in clause (iv)—

12 (aa) by redesignating sub-
13 clause (IV) as subclause (V); and

14 (bb) by inserting after sub-
15 clause (III) the following:

16 “(IV) Individuals with disabil-
17 ities.”.

18 (3) PERMISSIBLE ACTIVITIES.—Section 134(e)
19 (29 U.S.C. 2864(e)) is amended—

20 (A) by striking the matter preceding para-
21 graph (2) and inserting the following:

22 “(e) PERMISSIBLE LOCAL EMPLOYMENT AND TRAIN-
23 ING ACTIVITIES.—

24 “(1) IN GENERAL.—

1 “(A) ACTIVITIES.—Funds allocated to a
2 local area for adults under paragraph (2)(A) or
3 (3), as appropriate, of section 133(b), and
4 funds allocated to the local area for dislocated
5 workers under section 133(b)(2)(B), may be
6 used to provide, through the one-stop delivery
7 system involved—

8 “(i) customized screening and referral
9 of qualified participants in training serv-
10 ices described in subsection (d)(4) to em-
11 ployment;

12 “(ii) customized employment-related
13 services to employers on a fee-for-service
14 basis;

15 “(iii) customer support to enable
16 members of hard-to-serve populations, in-
17 cluding individuals with disabilities, to
18 navigate among multiple services and ac-
19 tivities for such populations;

20 “(iv) technical assistance and capacity
21 building for serving individuals with dis-
22 abilities in local areas, for one-stop opera-
23 tors, one-stop partners, and eligible pro-
24 viders, including the development and
25 training of staff, the provision of outreach,

1 intake, assessments, and service delivery,
2 and the development of performance meas-
3 ures;

4 “(v) employment and training assist-
5 ance provided in coordination with child
6 support enforcement activities of the State
7 and local agencies carrying out part D of
8 title IV of the Social Security Act (42
9 U.S.C. 651 et seq.);

10 “(vi) activities to improve coordination
11 between employment and training assist-
12 ance, child support services, and assistance
13 provided by State and local agencies car-
14 rying out part D of title IV of the Social
15 Security Act (42 U.S.C. 651 et seq.);

16 “(vii) activities to improve coordina-
17 tion between employment and training as-
18 sistance and cooperative extension pro-
19 grams carried out by the Department of
20 Agriculture;

21 “(viii) activities to facilitate remote
22 access to services provided through a one-
23 stop delivery system, including facilitating
24 access through the use of technology;

25 “(ix) activities—

1 “(I) to improve coordination be-
2 tween workforce investment activities
3 carried out within the local area in-
4 volved and economic development ac-
5 tivities; and

6 “(II) to improve services and
7 linkages between the local workforce
8 investment system including the local
9 one-stop delivery system, and all em-
10 ployers, including small employers in
11 the local area, through services de-
12 scribed in this section, including sub-
13 paragraph (B);

14 “(x) training programs for displaced
15 homemakers and for individuals training
16 for nontraditional occupations, in conjunc-
17 tion with programs operated in the local
18 area;

19 “(xi) using a portion of the funds allo-
20 cated under section 133(b), activities to
21 carry out business services and strategies
22 that meet the workforce investment needs
23 of local area employers, as determined by
24 the local board, consistent with the local
25 plan under section 118, which services—

1 “(I) may be provided through ef-
2 fective business intermediaries work-
3 ing in conjunction with the local
4 board, and may also be provided on a
5 fee-for-service basis or through the
6 leveraging of economic development
7 and other resources as determined ap-
8 propriate by the local board; and

9 “(II) may include—

10 “(aa) identifying and dis-
11 seminating to business, edu-
12 cators, and job seekers, informa-
13 tion related to the workforce, eco-
14 nomic and community develop-
15 ment needs, and opportunities of
16 the local economy;

17 “(bb) development and deliv-
18 ery of innovative workforce in-
19 vestment services and strategies
20 for area businesses, which may
21 include sectoral, industry cluster,
22 regional skills alliances, career
23 ladder, skills upgrading, skill
24 standard development and certifi-
25 cation, apprenticeship, and other

1 effective initiatives for meeting
2 the workforce investment needs
3 of area employers and workers;

4 “(cc) participation in semi-
5 nars and classes offered in part-
6 nership with relevant organiza-
7 tions focusing on the workforce-
8 related needs of area employers
9 and job seekers;

10 “(dd) training consulting,
11 needs analysis, and brokering
12 services for area businesses, in-
13 cluding the organization and ag-
14 gregation of training (which may
15 be paid for with funds other than
16 those provided under this title),
17 for individual employers and coa-
18 litions of employers with similar
19 interests, products, or workforce
20 needs;

21 “(ee) assistance to area em-
22 ployers in the aversion of layoffs
23 and in managing reductions in
24 force in coordination with rapid
25 response activities;

1 “(ff) the marketing of busi-
2 ness services offered under this
3 title, to appropriate area employ-
4 ers, including small and mid-
5 sized employers;

6 “(gg) information referral
7 on concerns affecting local em-
8 ployers; and

9 “(hh) other business services
10 and strategies designed to better
11 engage employers in workforce
12 investment activities and to make
13 the workforce investment system
14 more relevant to the workforce
15 investment needs of area busi-
16 nesses, as determined by the local
17 board to be consistent with the
18 objectives of this title;

19 “(xii) activities to adjust the self-suffi-
20 ciency standards for local factors, or activi-
21 ties to adopt, calculate, or commission a
22 self-sufficiency standard that specifies the
23 income needs of families, by family size,
24 the number and ages of children in the

1 family, and sub-State geographical consid-
2 erations; and

3 “(xiii) improved coordination between
4 employment and training assistance and
5 programs carried out in the local area for
6 individuals with disabilities, including pro-
7 grams carried out by State agencies relat-
8 ing to mental retardation and develop-
9 mental disabilities, Statewide Independent
10 Living Councils established under section
11 705 of the Rehabilitation Act of 1973 (29
12 U.S.C. 796d), and centers for independent
13 living defined in section 702 of the Reha-
14 bilitation Act of 1973 (29 U.S.C. 796a).

15 “(B) WORK SUPPORT ACTIVITIES FOR
16 LOW-WAGE WORKERS.—

17 “(i) IN GENERAL.—Funds allocated to
18 a local area for adults under paragraph
19 (2)(A) or (3), as appropriate, of section
20 133(b), and funds allocated to the local
21 area for dislocated workers under section
22 133(b)(2)(B), may be used to provide,
23 through the one-stop delivery system in-
24 volved, work support activities designed to
25 assist low-wage workers in retaining and

1 enhancing employment. The one-stop part-
2 ners shall coordinate the appropriate pro-
3 grams and resources of the partners with
4 the activities and resources provided under
5 this subparagraph.

6 “(ii) ACTIVITIES.—The activities de-
7 scribed in clause (i) may include the provi-
8 sion of activities described in this section
9 through the one-stop delivery system in a
10 manner that enhances the opportunities of
11 such workers to participate in the activi-
12 ties, such as the provision of activities de-
13 scribed in this section during nontradi-
14 tional hours and the provision of onsite
15 child care while such activities are being
16 provided.”;

17 (B) in paragraph (2), by striking the mat-
18 ter preceding subparagraph (A) and inserting
19 the following:

20 “(2) SUPPORTIVE SERVICES.—Funds allocated
21 to a local area for adults under paragraph (2)(A) or
22 (3), as appropriate, of section 133(b), and funds al-
23 located to the local area for dislocated workers under
24 section 133(b)(2)(B), may be used to provide sup-

1 portive services to adults and dislocated workers, re-
2 spectively—”; and

3 (C) by adding at the end the following:

4 “(4) INCUMBENT WORKER TRAINING PRO-
5 GRAMS.—

6 “(A) IN GENERAL.—The local board may
7 use up to 10 percent of the funds allocated to
8 the local area involved under section 133(b) to
9 pay for the Federal share of the cost of pro-
10 viding training through an incumbent worker
11 training program carried out in accordance with
12 this paragraph. The Governor or State board
13 may make recommendations to the local board
14 regarding incumbent worker training with
15 statewide impact.

16 “(B) TRAINING ACTIVITIES.—The training
17 program for incumbent workers carried out
18 under this paragraph shall be carried out by the
19 local board in conjunction with the employers or
20 groups of employers of such workers for the
21 purpose of assisting such workers in obtaining
22 the skills necessary to retain employment or
23 avert layoffs.

24 “(C) EMPLOYER SHARE REQUIRED.—

1 “(i) IN GENERAL.—Employers partici-
2 pating in the program carried out under
3 this paragraph shall be required to pay the
4 non-Federal share of the costs of providing
5 the training to incumbent workers of the
6 employers. The local board shall establish
7 the non-Federal share of such costs, which
8 may include in-kind contributions. The
9 non-Federal share shall not be less than—

10 “(I) 10 percent of the costs, for
11 employers with 50 or fewer employees;

12 “(II) 25 percent of the costs, for
13 employers with more than 50 employ-
14 ees but fewer than 100 employees;
15 and

16 “(III) 50 percent of the costs, for
17 employers with 100 or more employ-
18 ees.

19 “(ii) CALCULATION OF EMPLOYER
20 SHARE.—The non-Federal share paid by
21 such an employer may include the amount
22 of the wages paid by the employer to a
23 worker while the worker is attending a
24 training program under this paragraph.”.

1 **SEC. 122. PERFORMANCE ACCOUNTABILITY SYSTEM.**

2 (a) STATE PERFORMANCE MEASURES.—

3 (1) INDICATORS OF PERFORMANCE.—Section
4 136(b)(2)(A) (29 U.S.C. 2871(b)(2)(A)) is
5 amended—

6 (A) in clause (i)—

7 (i) in the matter preceding subclause
8 (I), by striking “and (for participants who
9 are eligible youth age 19 through 21) for
10 youth activities authorized under section
11 129”;

12 (ii) by striking subclause (III) and in-
13 serting the following:

14 “(III) increases in earnings from
15 unsubsidized employment; and”; and

16 (iii) in subclause (IV), by striking “,
17 or by participants” and all that follows
18 through “unsubsidized employment”; and

19 (B) by striking clause (ii) and inserting the
20 following:

21 “(ii) CORE INDICATORS FOR ELIGIBLE
22 YOUTH.—The core indicators of perform-
23 ance for youth activities authorized under
24 section 129 shall consist of—

1 “(I) entry into employment, edu-
2 cation or advanced training, or mili-
3 tary service;

4 “(II) attainment of secondary
5 school diplomas or their recognized
6 equivalents, and postsecondary certifi-
7 cates; and

8 “(III) literacy or numeracy
9 gains.”.

10 (2) ADDITIONAL INDICATORS.—Section
11 136(b)(2)(C) (29 U.S.C. 2871(b)(2)(C)) is amended
12 to read as follows:

13 “(C) ADDITIONAL INDICATORS.—A State
14 may identify in the State plan additional indica-
15 tors for workforce investment activities under
16 this subtitle, including indicators identified in
17 collaboration with State business and industry
18 associations, with employee representatives
19 where applicable, and with local boards, to
20 measure the performance of the workforce in-
21 vestment system in serving the workforce needs
22 of business and industry in the State.”.

23 (3) LEVELS OF PERFORMANCE.—Section
24 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is
25 amended—

1 (A) in clause (iii)—

2 (i) in the heading, by striking “FOR
3 FIRST 3 YEARS”;

4 (ii) by striking “and the customer sat-
5 isfaction indicator of performance, for the
6 first 3” and inserting “described in clauses
7 (i) and (ii) of paragraph (2)(A) and the
8 customer satisfaction indicator of perform-
9 ance, for the first 2”; and

10 (iii) by inserting at the end the fol-
11 lowing: “Agreements on levels of perform-
12 ance for each of the core indicators of per-
13 formance for the third and fourth program
14 years covered by the State plan shall be
15 reached prior to the beginning of the third
16 program year covered by the State plan,
17 and incorporated as a modification to the
18 State plan.”;

19 (B) in clause (iv)—

20 (i) in the matter preceding subclause
21 (I), by striking “or (v)”;

22 (ii) in subclause (II)—

23 (I) by striking “taking into ac-
24 count” and inserting “and shall en-
25 sure that the levels involved are ad-

1 justed, using objective statistical
2 methods, based on”;

3 (II) by inserting “(such as dif-
4 ferences in unemployment rates and
5 job losses or gains in particular indus-
6 tries)” after “economic conditions”;

7 (III) by inserting “(such as indi-
8 cators of poor work history, lack of
9 work experience, lack of educational
10 or occupational skills attainment, dis-
11 location from high-wage and benefit
12 employment, low levels of literacy or
13 English proficiency, disability status,
14 homelessness, and welfare depend-
15 ency)” after “program”; and

16 (IV) by striking “and” at the
17 end;

18 (iii) in subclause (III), by striking the
19 period and inserting “; and”; and

20 (iv) by adding at the end the fol-
21 lowing:

22 “(IV) the extent to which the lev-
23 els involved will assist the State in
24 meeting the national goals described
25 in clause (v).”;

1 (C) by striking clause (v) and inserting the
2 following:

3 “(v) ESTABLISHMENT OF NATIONAL
4 GOALS.—In order to promote enhanced
5 performance outcomes on the performance
6 measures and to facilitate the process of
7 reaching agreements with the States under
8 clause (iii) and to measure systemwide per-
9 formance for the one-stop delivery systems
10 of the States, the Secretary shall establish
11 long-term national goals for the adjusted
12 levels of performance for that systemwide
13 performance to be achieved by the pro-
14 grams assisted under chapters 4 and 5 on
15 the core indicators of performance de-
16 scribed in subparagraphs (A) and (B) of
17 subsection (b)(2). Such goals shall be es-
18 tablished in accordance with the Govern-
19 ment Performance and Results Act of
20 1993 in consultation with the States and
21 other appropriate parties.”; and

22 (D) in clause (vi)—

23 (i) by striking “or (v)”; and

24 (ii) by striking “with the representa-
25 tives described in subsection (i)” and in-

1 serting “with the States and other inter-
2 ested parties”.

3 (b) LOCAL PERFORMANCE MEASURES.—Section
4 136(c)(3) (29 U.S.C. 2871(c)(3))—

5 (1) by striking “shall take into account” and
6 inserting “shall ensure that the levels involved are
7 adjusted, using objective statistical methods, based
8 on”;

9 (2) by inserting “(characteristics such as unem-
10 ployment rates and job losses or gains in particular
11 industries)” after “economic”; and

12 (3) by inserting “(characteristics such as indi-
13 cators of poor work history, lack of work experience,
14 lack of educational and occupational skills attain-
15 ment, dislocation from high-wage and benefit em-
16 ployment, low levels of literacy or English pro-
17 ficiency, disability status, homelessness, and welfare
18 dependency)” after “demographic”.

19 (c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is
20 amended—

21 (1) in paragraph (1), by adding at the end the
22 following: “In the case of a State or local area that
23 chooses to expend funds for activities under sub-
24 section (a)(3)(A)(i) or (e)(1)(A)(xi), respectively, of
25 section 134, the report also shall include the amount

1 of such funds so expended and the percentage that
2 such funds are of the funds available for activities
3 under section 134.”;

4 (2) in paragraph (2)—

5 (A) in subparagraph (E)—

6 (i) by striking “(excluding partici-
7 pants who received only self-service and in-
8 formational activities)”;

9 (ii) by striking “and” after the semi-
10 colon;

11 (B) in subparagraph (F)—

12 (i) by inserting “noncustodial parents
13 with child support obligations, homeless in-
14 dividuals,” after “displaced homemakers,”;
15 and

16 (ii) by striking the period and insert-
17 ing a semicolon; and

18 (C) by adding at the end the following:

19 “(G) the number of participants served
20 and the cost per participant; and

21 “(H) the amount of adult and dislocated
22 worker funds spent on—

23 “(i) core, intensive, and training serv-
24 ices, respectively; and

1 “(ii) services provided under sub-
2 section (a)(3)(A)(i) or (e)(1)(A)(xi) of sec-
3 tion 134, if applicable.”; and

4 (3) by adding at the end the following:

5 “(4) DATA VALIDATION.—In preparing the re-
6 ports described in this subsection, the States shall
7 establish procedures, consistent with guidelines
8 issued by the Secretary, to ensure that the informa-
9 tion contained in the reports is valid and reliable.”.

10 (d) EVALUATION OF STATE PROGRAMS.—Section
11 136(e)(3) is amended by inserting “, including informa-
12 tion on promoting self-sufficiency and comparable pay be-
13 tween men and women” after “employers”.

14 (e) SANCTIONS FOR STATE.—Section 136(g) is
15 amended—

16 (1) in paragraph (1)(B), by striking “If such
17 failure continues for a second consecutive year” and
18 inserting “If a State performs at less than 80 per-
19 cent of the adjusted level of performance for core in-
20 dicators of performance described in subsection
21 (b)(2)(A) for 2 consecutive years”; and

22 (2) in paragraph (2), by striking “section 503”
23 and inserting “subsection (i)(1)”.

24 (f) SANCTIONS FOR LOCAL AREA.—Section
25 136(h)(2)(A) (29 U.S.C. 2871(h)(2)(A)) is amended—

1 (1) in the matter preceding clause (i), by strik-
2 ing “If such failure continues for a second consecu-
3 tive year” and inserting “If a local area performs at
4 less than 80 percent of the adjusted level of per-
5 formance for core indicators of performance de-
6 scribed in subsection (b)(2)(A) for 2 consecutive
7 years”;

8 (2) in clause (ii), by striking “or” after the
9 semicolon;

10 (3) by redesignating clause (iii) as clause (iv);
11 and

12 (4) by inserting after clause (ii) the following:

13 “(iii) redesignate the local area in ac-
14 cordance with section 116(b)(2); or”.

15 (g) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C.
16 2871(i)) is amended to read as follows:

17 “(i) INCENTIVE GRANTS FOR LOCAL AREAS.—

18 “(1) IN GENERAL.—From funds reserved under
19 sections 128(a) and 133(a)(1), the Governor in-
20 volved shall award incentive grants to local areas for
21 performance described in paragraph (2) in carrying
22 out programs under chapters 4 and 5.

23 “(2) BASIS.—The Governor shall award the
24 grants on the basis—

1 “(A) that the local areas met or exceeded
2 the performance measures established under
3 subsection (c)(2) relating to indicators de-
4 scribed in subsection (b)(3)(A)(iii);

5 “(B) of exemplary performance of the local
6 areas in serving hard-to-serve populations; or

7 “(C) that the local areas are effectively—

8 “(i) coordinating multiple systems
9 into a comprehensive workforce investment
10 system, including coordination of employ-
11 ment services under the Wagner-Peyser
12 Act (29 U.S.C. 49 et seq.) and core activi-
13 ties under this title as well as one-stop
14 partner programs described in section 121;

15 “(ii) expanding access to training, in-
16 cluding through increased leveraging of re-
17 sources other than those funded through
18 programs under this title; or

19 “(iii) implementing innovative busi-
20 ness and economic development initiatives.

21 “(3) USE OF FUNDS.—The funds awarded to a
22 local area under this paragraph may be used to
23 carry out activities authorized for local areas under
24 chapters 4 and 5, and such demonstration projects

1 or innovative programs for hard-to-serve populations
2 as may be approved by the Governor.”.

3 (h) USE OF CORE MEASURES IN OTHER DEPART-
4 MENT OF LABOR PROGRAMS.—Section 136 (29 U.S.C.
5 2871) is amended by adding at the end the following:

6 “(j) USE OF CORE INDICATORS FOR OTHER PRO-
7 GRAMS.—In addition to the programs carried out under
8 chapters 4 and 5, and consistent with the requirements
9 of the applicable authorizing laws, the Secretary shall use
10 the indicators of performance described in subparagraphs
11 (A) and (B) of subsection (b)(2) to assess the effectiveness
12 of the programs described in clauses (i), (ii), and (vi) of
13 section 121(b)(1)(B) that are carried out by the Sec-
14 retary.”.

15 (i) PREVIOUS DEFINITIONS OF CORE INDICATORS.—
16 Section 502 (29 U.S.C. 9272) is repealed.

17 **SEC. 123. AUTHORIZATION OF APPROPRIATIONS.**

18 (a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C.
19 2872(a)) is amended by striking “such sums as may be
20 necessary for each of fiscal years 1999 through 2003” and
21 inserting “such sums as may be necessary for each of fis-
22 cal years 2006 through 2011”.

23 (b) ADULT EMPLOYMENT AND TRAINING ACTIVI-
24 TIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by
25 striking “such sums as may be necessary for each of fiscal

1 years 1999 through 2003” and inserting “such sums as
2 may be necessary for each of fiscal years 2006 through
3 2011”.

4 (c) DISLOCATED WORKER EMPLOYMENT AND
5 TRAINING ACTIVITIES.—Section 137(c) (29 U.S.C.
6 2872(c)) is amended by striking “such sums as may be
7 necessary for each of fiscal years 1999 through 2003” and
8 inserting “such sums as may be necessary for each of fis-
9 cal years 2006 through 2011”.

10 **Subtitle C—Job Corps**

11 **SEC. 131. JOB CORPS.**

12 (a) ELIGIBILITY.—Section 144(3) (29 U.S.C.
13 2884(3)) is amended by adding at the end the following:

14 “(F) A child eligible for assistance under
15 section 477 of the Social Security Act (42
16 U.S.C. 677).”.

17 (b) IMPLEMENTATION OF STANDARDS AND PROCE-
18 DURES.—Section 145(a)(3) (29 U.S.C. 2885(a)(3)) is
19 amended—

20 (1) in subparagraph (B), by striking “and”
21 after the semicolon;

22 (2) in subparagraph (C), by striking the period
23 and inserting “; and”; and

24 (3) by adding at the end the following:

1 “(D) child welfare agencies that are re-
2 sponsible for children in foster care and chil-
3 dren eligible for assistance under section 477 of
4 the Social Security Act (42 U.S.C. 677).”.

5 (c) INDUSTRY COUNCILS.—Section 154(b) (29
6 U.S.C. 2894(b)) is amended—

7 (1) in paragraph (1)(A), by striking “local and
8 distant”; and

9 (2) by adding at the end the following:

10 “(3) EMPLOYERS OUTSIDE OF LOCAL AREA.—
11 The industry council may include, or otherwise pro-
12 vide for consultation with, employers from outside
13 the local area who are likely to hire a significant
14 number of enrollees from the Job Corps center.

15 “(4) SPECIAL RULE FOR SINGLE LOCAL AREA
16 STATES.—In the case of a single local area State
17 designated under section 116(b), the industry coun-
18 cil shall include a representative of the State
19 Board.”.

20 (d) INDICATORS OF PERFORMANCE.—Section 159
21 (29 U.S.C. 2899) is amended—

22 (1) in subsection (c)—

23 (A) by striking paragraph (1) and insert-
24 ing the following:

1 “(1) PERFORMANCE INDICATORS.—The Sec-
2 retary shall annually establish expected levels of per-
3 formance for Job Corps centers and the Job Corps
4 program relating to each of the core indicators of
5 performance for youth activities identified in section
6 136(b)(2)(A)(ii).”;

7 (B) in paragraph (2), by striking “meas-
8 ures” each place it appears and inserting “indi-
9 cators”; and

10 (C) in paragraph (3)—

11 (i) in the first sentence, by striking
12 “core performance measures, as compared
13 to the expected performance level for each
14 performance measure” and inserting “per-
15 formance indicators described in paragraph
16 (1), as compared to the expected level of
17 performance established under paragraph
18 (1) for each performance measure”; and

19 (ii) in the second sentence, by striking
20 “measures” each place it appears and in-
21 serting “indicators”; and

22 (2) in subsection (f)(2), in the first sentence, by
23 striking “core performance measures” and inserting
24 “indicators of performance”.

1 (e) AUTHORIZATION OF APPROPRIATIONS.—Section
2 161 (29 U.S.C. 2901) is amended by striking “1999
3 through 2003” and inserting “2006 through 2011”.

4 **Subtitle D—National Programs**

5 **SEC. 141. NATIVE AMERICAN PROGRAMS.**

6 (a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29
7 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

8 “(C) DUTIES.—The Council shall advise
9 the Secretary on the operation and administra-
10 tion of the programs assisted under this sec-
11 tion, including the selection of the individual
12 appointed as head of the unit established under
13 paragraph (1).”.

14 (b) ASSISTANCE TO UNIQUE POPULATIONS IN ALAS-
15 KA AND HAWAII.—Section 166(j) (29 U.S.C. 2911(j)) is
16 amended to read as follows:

17 “(j) ASSISTANCE TO UNIQUE POPULATIONS IN ALAS-
18 KA AND HAWAII.—

19 “(1) IN GENERAL.—Notwithstanding any other
20 provision of law, the Secretary is authorized to pro-
21 vide assistance to unique populations who reside in
22 Alaska or Hawaii to improve job training and work-
23 force investment activities.

24 “(2) AUTHORIZATION OF APPROPRIATIONS.—
25 There are authorized to be appropriated to carry out

1 this subsection such sums as may be necessary for
2 fiscal year 2006.”.

3 (c) PERFORMANCE INDICATORS.—Section 166 (29
4 U.S.C. 2911) is amended by adding at the end the fol-
5 lowing:

6 “(k) PERFORMANCE INDICATORS.—

7 “(1) DEVELOPMENT OF INDICATORS.—The
8 Secretary, in consultation with the Native American
9 Employment and Training Council, shall develop a
10 set of performance indicators and standards which
11 shall be applicable to programs under this section.

12 “(2) SPECIAL CONSIDERATIONS.—Such per-
13 formance indicators and standards shall take into
14 account—

15 “(A) the purpose of this section as de-
16 scribed in subsection (a)(1);

17 “(B) the needs of the groups served by this
18 section, including the differences in needs
19 among such groups in various geographic serv-
20 ice areas; and

21 “(C) the economic circumstances of the
22 communities served, including differences in cir-
23 cumstances among various geographic service
24 areas.”.

1 **SEC. 142. MIGRANT AND SEASONAL FARMWORKER PRO-**
2 **GRAMS.**

3 Section 167 (29 U.S.C. 2912) is amended—

4 (1) in subsection (a), by striking “2” and in-
5 serting “2 to 4”;

6 (2) in subsection (b), by inserting “and deliver”
7 after “administer”;

8 (3) in subsection (c)—

9 (A) in paragraph (1), by striking “2-year”
10 and inserting “4-year”;

11 (B) in paragraph (2)—

12 (i) in subparagraph (A)—

13 (I) by inserting “describe the
14 population to be served and” before
15 “identify”; and

16 (II) by inserting “, including up-
17 graded employment in agriculture”
18 before the semicolon;

19 (ii) in subparagraph (B), by striking
20 “and” at the end;

21 (iii) in subparagraph (C), by striking
22 the period and inserting a semicolon; and

23 (iv) by adding at the end the fol-
24 lowing:

25 “(D) describe the availability and accessi-
26 bility of local resources such as supportive serv-

1 ices, services provided through one-stop delivery
2 systems, and education and training services,
3 and how the resources can be made available to
4 the population to be served; and

5 “(E) describe the plan for providing serv-
6 ices under this section, including strategies and
7 systems for outreach, case management, assess-
8 ment, and delivery through one-stop delivery
9 systems.”; and

10 (C) by striking paragraph (4) and insert-
11 ing the following:

12 “(4) COMPETITION.—The competition for
13 grants made and contracts entered into under this
14 section shall be conducted every 2 to 4 years.”;

15 (4) in subsection (d), by striking “include” and
16 all that follows and inserting “include outreach, em-
17 ployment, training, educational assistance, literary
18 assistance, English language and literacy instruc-
19 tion, pesticide and worker safety training, housing
20 (including permanent housing), supportive services,
21 school dropout prevention activities, followup serv-
22 ices for those individuals placed in employment, self-
23 employment and related business or micro-enterprise
24 development or education as needed by eligible indi-
25 viduals and as identified pursuant to the plan re-

1 quired by subsection (c), customized career and
2 technical education in occupations that will lead to
3 higher wages, enhanced benefits, and long-term em-
4 ployment in agriculture or another area, and tech-
5 nical assistance to improve coordination of services
6 and implement best practices relating to service de-
7 livery through one-stop delivery systems.”;

8 (5) in subsection (f), by striking “take into ac-
9 count the economic circumstances and demographics
10 of eligible migrant and seasonal farmworkers.” and
11 inserting “are adjusted based on the economic and
12 demographic barriers to employment of eligible mi-
13 grant and seasonal farmworkers.”;

14 (6) in subsection (g), by striking “(enacted by
15 the Single Audit Act of 1984)”;

16 (7) in subsection (h)—

17 (A) by striking paragraph (1) and insert-
18 ing the following:

19 “(1) DEPENDENT.—The term ‘dependent’, used
20 with respect to an eligible migrant or seasonal farm-
21 worker, means an individual who—

22 “(A) was claimed as a dependent on the
23 farmworker’s Federal income tax return for the
24 previous year;

25 “(B) is the spouse of the farmworker; or

1 “(C) is able to establish—
2 “(i) a relationship as the
3 farmworker’s—
4 “(I) biological or legally adopted
5 child, grandchild, or great-grandchild;
6 “(II) foster child;
7 “(III) stepchild;
8 “(IV) brother, sister, half-broth-
9 er, half-sister, stepbrother, or step-
10 sister;
11 “(V) parent, grandparent, or
12 other direct ancestor (but not foster
13 parent);
14 “(VI) stepfather or stepmother;
15 “(VII) uncle or aunt;
16 “(VIII) niece or nephew; or
17 “(IX) father-in-law, mother-in-
18 law, son-in-law, daughter-in-law,
19 brother-in-law, or sister-in-law; and
20 “(ii) the receipt of over half of the in-
21 dividual’s total support from the farm-
22 worker’s family during the eligibility deter-
23 mination period for the farmworker.”; and
24 (B) in paragraph (4)(A)—

1 (i) by striking “disadvantaged person”
2 and inserting “low-income individual”; and
3 (ii) by inserting “and who faces mul-
4 tiple barriers to self-sufficiency” before the
5 semicolon;

6 (8) by redesignating subsection (h) as sub-
7 section (i); and

8 (9) by inserting before subsection (i) the fol-
9 lowing:

10 “(h) FUNDING ALLOCATION.—From the funds ap-
11 propriated and made available to carry out this section,
12 the Secretary shall reserve not more than 1 percent for
13 discretionary purposes, such as providing technical assist-
14 ance to eligible entities.”

15 **SEC. 143. VETERANS’ WORKFORCE INVESTMENT PRO-**
16 **GRAMS.**

17 Section 168(a)(3) (29 U.S.C. 2913(a)(3)) is
18 amended—

19 (1) in subparagraph (A), by inserting “, includ-
20 ing services provided by one-stop operators and one-
21 stop partners” before the semicolon; and

22 (2) in subparagraph (C), by striking “section
23 134(c)” and inserting “section 121(e)”.

1 **SEC. 144. YOUTH CHALLENGE GRANTS.**

2 Section 169 (29 U.S.C. 2914) is amended to read as
3 follows:

4 **“SEC. 169. YOUTH CHALLENGE GRANTS.**

5 “(a) IN GENERAL.—Of the amounts reserved by the
6 Secretary under section 127(b)(1)(A) for a fiscal year—

7 “(1) the Secretary shall use not less than 80
8 percent to award competitive grants under sub-
9 section (b); and

10 “(2) the Secretary may use not more than 20
11 percent to award discretionary grants under sub-
12 section (c).

13 “(b) COMPETITIVE GRANTS TO STATES AND LOCAL
14 AREAS.—

15 “(1) ESTABLISHMENT.—From the funds de-
16 scribed in subsection (a)(1), the Secretary shall
17 award competitive grants to eligible entities to carry
18 out activities authorized under this subsection to as-
19 sist eligible youth in acquiring the skills, credentials,
20 and employment experience necessary to achieve the
21 performance outcomes for youth described in section
22 136.

23 “(2) ELIGIBLE ENTITY.—In this subsection, the
24 term ‘eligible entity’ means—

25 “(A) a State or consortium of States;

1 “(B) a local board or consortium of local
2 boards;

3 “(C) a recipient of a grant under section
4 166 (relating to Native American programs); or

5 “(D) a public or private entity (including
6 a consortium of such entities) with expertise in
7 the provision of youth activities, applying in
8 partnership with a local board or consortium of
9 local boards.

10 “(3) APPLICATIONS.—To be eligible to receive a
11 grant under this subsection, an eligible entity shall
12 submit an application to the Secretary at such time,
13 in such manner, and containing such information as
14 the Secretary may require, including—

15 “(A) a description of the activities the eli-
16 gible entity will provide to eligible youth under
17 this subsection, and how the eligible entity will
18 collaborate with State and local workforce in-
19 vestment systems established under this title in
20 the provision of such activities;

21 “(B) a description of the programs of dem-
22 onstrated effectiveness on which the provision
23 of the activities under subparagraph (A) are
24 based, and a description of how such activities

1 will expand the base of knowledge relating to
2 the provision of activities for youth;

3 “(C) a description of the State, local, and
4 private resources that will be leveraged to pro-
5 vide the activities described under subparagraph
6 (A) in addition to funds provided under this
7 subsection, and a description of the extent of
8 the involvement of employers in the activities;

9 “(D) the levels of performance the eligible
10 entity expects to achieve with respect to the in-
11 dicators of performance for youth specified in
12 section 136(b)(2)(A)(ii); and

13 “(E) an assurance that the State board of
14 each State in which the proposed activities are
15 to be carried out had the opportunity to review
16 the application, and including the comments, if
17 any, of the affected State boards on the appli-
18 cation, except that this subparagraph shall not
19 apply to an eligible entity described in para-
20 graph (2)(C).

21 “(4) FACTORS FOR AWARD.—

22 “(A) IN GENERAL.—In awarding grants
23 under this subsection the Secretary shall
24 consider—

1 “(i) the quality of the proposed activi-
2 ties;

3 “(ii) the goals to be achieved;

4 “(iii) the likelihood of successful im-
5 plementation;

6 “(iv) the extent to which the proposed
7 activities are based on proven strategies or
8 the extent to which the proposed activities
9 will expand the base of knowledge relating
10 to the provision of activities for youth;

11 “(v) the extent of collaboration with
12 the State and local workforce investment
13 systems in carrying out the proposed ac-
14 tivities;

15 “(vi) the extent of employer involve-
16 ment in the proposed activities;

17 “(vii) whether there are other Federal
18 and non-Federal funds available for similar
19 activities to the proposed activities, and the
20 additional State, local, and private re-
21 sources that will be provided to carry out
22 the proposed activities; and

23 “(viii) the quality of the proposed ac-
24 tivities in meeting the needs of the youth
25 to be served.

1 “(B) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this sub-
2 TION.—In awarding grants under this sub-
3 section the Secretary shall ensure an equitable
4 distribution of such grants across geographi-
5 cally diverse areas.

6 “(5) USE OF FUNDS.—

7 “(A) IN GENERAL.—An eligible entity that
8 receives a grant under this subsection shall use
9 the grant funds to carry out activities that are
10 designed to assist youth in acquiring the skills,
11 credentials, and employment experience that are
12 necessary to succeed in the labor market, in-
13 cluding the activities identified in section 129.

14 “(B) ACTIVITIES.—The activities carried
15 out pursuant to subparagraph (A) may include
16 the following:

17 “(i) Training and internships for out-
18 of-school youth in sectors of the economy
19 experiencing, or projected to experience,
20 high growth.

21 “(ii) Dropout prevention activities for
22 in-school youth.

23 “(iii) Activities designed to assist spe-
24 cial youth populations, such as court-in-
25 volved youth and youth with disabilities.

1 “(iv) Activities combining remediation
2 of academic skills, work readiness training,
3 and work experience, and including link-
4 ages to postsecondary education, appren-
5 ticeships, and career-ladder employment.

6 “(v) Activities, including work experi-
7 ence, paid internships, and entrepreneurial
8 training, in areas where there is a migra-
9 tion of youth out of the areas.

10 “(C) PARTICIPANT ELIGIBILITY.—Youth
11 who are 14 years of age through 21 years of
12 age, as of the time the eligibility determination
13 is made, may be eligible to participate in activi-
14 ties carried out under this subsection.

15 “(6) GRANT PERIOD.—The Secretary shall
16 make a grant under this subsection for a period of
17 2 years and may renew the grant, if the eligible enti-
18 ty has performed successfully, for a period of not
19 more than 3 succeeding years.

20 “(7) MATCHING FUNDS REQUIRED.—The Sec-
21 retary shall require that an eligible entity that re-
22 ceives a grant under this subsection provide non-
23 Federal matching funds in an amount to be deter-
24 mined by the Secretary that is not less than 10 per-
25 cent of the cost of activities carried out under the

1 grant. The Secretary may require that such non-
2 Federal matching funds be provided in cash re-
3 sources, noncash resources, or a combination of cash
4 and noncash resources.

5 “(8) EVALUATION.—The Secretary shall reserve
6 not more than 3 percent of the funds described in
7 subsection (a)(1) to provide technical assistance to,
8 and conduct evaluations of (using appropriate tech-
9 niques as described in section 172(c)), the projects
10 funded under this subsection.

11 “(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVI-
12 TIES.—

13 “(1) IN GENERAL.—From the funds described
14 in subsection (a)(2), the Secretary may award
15 grants to eligible entities to provide activities that
16 will assist youth in preparing for, and entering and
17 retaining, employment.

18 “(2) ELIGIBLE ENTITY.—In this subsection, the
19 term ‘eligible entity’ means a public or private entity
20 that the Secretary determines would effectively carry
21 out activities relating to youth under this subsection.

22 “(3) EQUITABLE DISTRIBUTION TO RURAL
23 AREAS.—In awarding grants under this subsection
24 the Secretary shall ensure an equitable distribution
25 of such grants to rural areas.

1 “(4) APPLICATIONS.—To be eligible to receive a
2 grant under this subsection, an eligible entity shall
3 submit an application to the Secretary at such time,
4 in such manner, and containing such information as
5 the Secretary may require.

6 “(5) USE OF FUNDS.—

7 “(A) IN GENERAL.—An eligible entity that
8 receives a grant under this subsection shall use
9 the grant funds to carry out—

10 “(i) activities that will assist youth in
11 preparing for, and entering and retaining,
12 employment, including the activities de-
13 scribed in section 129 for out-of-school
14 youth;

15 “(ii) activities designed to assist in-
16 school youth to stay in school and gain
17 work experience;

18 “(iii) activities designed to assist
19 youth in economically distressed areas; and

20 “(iv) such other activities that the
21 Secretary determines are appropriate to
22 ensure that youth entering the workforce
23 have the skills needed by employers.

24 “(B) PARTICIPANT ELIGIBILITY.—Youth
25 who are 14 years of age through 21 years of

1 age, as of the time the eligibility determination
2 is made, may be eligible to participate in activi-
3 ties carried out under this subsection.

4 “(6) MATCHING FUNDS REQUIRED.—The Sec-
5 retary shall require that an eligible entity that re-
6 ceives a grant under this subsection provide non-
7 Federal matching funds in an amount to be deter-
8 mined by the Secretary that is not less than 10 per-
9 cent of the cost of activities carried out under the
10 grant. The Secretary may require that such non-
11 Federal matching funds be provided in cash re-
12 sources, noncash resources, or a combination of cash
13 and noncash resources.

14 “(7) EVALUATIONS.—The Secretary may re-
15 quire that an eligible entity that receives a grant
16 under this subsection participate in an evaluation of
17 activities carried out under this subsection, including
18 an evaluation using the techniques described in sec-
19 tion 172(c).”.

20 **SEC. 145. TECHNICAL ASSISTANCE.**

21 Section 170 (29 U.S.C. 2915) is amended—

22 (1) in subsection (a)(1), by—

23 (A) inserting “the training of staff pro-
24 viding rapid response services, the training of
25 other staff of recipients of funds under this

1 title, the training of members of State boards
2 and local boards, peer review activities under
3 this title,” after “localities,”; and

4 (B) striking “from carrying out activities”
5 and all that follows through the period and in-
6 serting “to implement the amendments made by
7 the Workforce Investment Act Amendments of
8 2005.”;

9 (2) in subsection (a)(2), by adding at the end
10 the following: “The Secretary shall also hire staff
11 qualified to provide the assistance described in para-
12 graph (1).”;

13 (3) in subsection (b)(2), by striking the last
14 sentence and inserting “Such projects shall be ad-
15 ministered by the Employment and Training Admin-
16 istration.”; and

17 (4) by adding at the end the following:

18 “(c) BEST PRACTICES COORDINATION.—The Sec-
19 retary shall—

20 “(1) establish a system through which States
21 may share information regarding best practices with
22 regard to the operation of workforce investment ac-
23 tivities under this Act;

1 “(2) evaluate and disseminate information re-
2 garding best practices and identify knowledge gaps;
3 and

4 “(3) commission research under section 171(c)
5 to address knowledge gaps identified under para-
6 graph (2).”.

7 **SEC. 146. DEMONSTRATION, PILOT, MULTISERVICE, RE-**
8 **SEARCH, AND MULTISTATE PROJECTS.**

9 (a) DEMONSTRATION AND PILOT PROJECTS.—Sec-
10 tion 171(b) (29 U.S.C. 2916(b)) is amended—

11 (1) in paragraph (1)—

12 (A) by striking “Under a” and inserting
13 “Consistent with the priorities specified in the”;

14 (B) by striking subparagraphs (A) through
15 (E) and inserting the following:

16 “(A) projects that assist national employ-
17 ers in connecting with the workforce investment
18 system established under this title in order to
19 facilitate the recruitment and employment of
20 needed workers for career ladder jobs and to
21 provide information to such system on skills
22 and occupations in demand;

23 “(B) projects that promote the develop-
24 ment of systems that will improve the maximum

1 effectiveness of programs carried out under this
2 title;

3 “(C) projects that focus on opportunities
4 for employment in industries and sectors of in-
5 dustries that are experiencing, or are likely to
6 experience, high rates of growth and jobs with
7 wages leading to self-sufficiency;

8 “(D) computerized, individualized, self-
9 paced training projects targeted to dislocated,
10 disadvantaged, or incumbent workers utilizing
11 equipment and curriculum designed in partner-
12 ship with industries for employment in the op-
13 erations, repair, and maintenance of high-tech
14 equipment that is used in integrated systems
15 technology;

16 “(E) projects carried out by States and
17 local areas to test innovative approaches to de-
18 livering employment-related services;”;

19 (C) in subparagraph (G), by striking
20 “and” after the semicolon; and

21 (D) by striking subparagraph (H) and in-
22 serting the following:

23 “(H) projects that provide retention
24 grants, which shall—

1 “(i) be made to qualified job training
2 programs offering instruction, assessment,
3 or professional coaching, upon placement
4 of a low-income individual trained by the
5 program involved in employment with an
6 employer and retention of the low-income
7 individual in that employment with that
8 employer for a period of 1 year, if that em-
9 ployment provides the low-income indi-
10 vidual with an annual salary—

11 “(I) that is at least \$10,000
12 more than the individual’s federally
13 adjusted income for the previous year;
14 and

15 “(II) that is not less than twice
16 the poverty line applicable to the indi-
17 vidual; and

18 “(ii) be made taking into account the
19 economic benefit received by the Federal
20 Government from the employment and re-
21 tention of the individual, including the eco-
22 nomic benefit from tax revenue and de-
23 creased public subsidies;

24 “(I) targeted innovation projects that im-
25 prove access to and delivery of employment and

1 training services, with emphasis given to
2 projects that incorporate advanced technologies
3 to facilitate the connection of individuals to the
4 information and tools the individuals need to
5 upgrade skills;

6 “(J) projects that promote the use of dis-
7 tance learning, enabling students to take
8 courses through the use of media technology
9 such as videos, teleconferencing computers, and
10 the Internet; and

11 “(K) projects that provide comprehensive
12 education and training services, and support
13 services, in coordination with local boards, for
14 populations in targeted high poverty areas
15 where the greatest barriers to employment
16 exist, including ex-offenders, out-of-school
17 youth, and public assistance recipient popu-
18 lations.”; and

19 (2) in paragraph (2)—

20 (A) by striking subparagraph (B); and

21 (B) by redesignating subparagraph (C) as
22 subparagraph (B).

23 (b) MULTISERVICE PROJECTS.—Section
24 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to
25 read as follows:

1 “(B) STUDIES AND REPORTS.—

2 “(i) NET IMPACT STUDIES AND RE-
3 PORTS.—

4 “(I) IN GENERAL.—The Sec-
5 retary, in coordination with the Sec-
6 retary of Education, shall conduct
7 studies to determine the net impacts
8 of, including best practices of, pro-
9 grams, services, and activities carried
10 out under this title.

11 “(II) REPORTS.—The Secretary
12 shall prepare and disseminate to the
13 public reports containing the results
14 of the studies conducted under sub-
15 clause (I).

16 “(ii) STUDY ON RESOURCES AVAIL-
17 ABLE TO ASSIST OUT-OF-SCHOOL
18 YOUTH.—The Secretary, in coordination
19 with the Secretary of Education, may con-
20 duct a study examining the resources avail-
21 able at the Federal, State, and local levels
22 to assist out-of-school youth in obtaining
23 the skills, credentials, and work experience
24 necessary to become successfully employed,
25 including the availability of funds provided

1 through average daily attendance and
2 other methodologies used by States and
3 local areas to distribute funds.

4 “(iii) STUDY OF INDUSTRY-BASED
5 CERTIFICATION AND CREDENTIALS.—

6 “(I) IN GENERAL.—The Sec-
7 retary shall conduct a study con-
8 cerning the role and benefits of
9 credentialing and certification to busi-
10 nesses and workers in the economy
11 and the implications of certification to
12 the services provided through the
13 workforce investment system. The
14 study may examine issues such as—

15 “(aa) the characteristics of
16 successful credentialing and cer-
17 tification systems that serve busi-
18 ness and individual needs;

19 “(bb) the relative propor-
20 tions of certificates and creden-
21 tials attained with assistance
22 from the public sector, with pri-
23 vate-sector training of new hires
24 or incumbent workers, and by in-
25 dividuals on their own initiative

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1 without other assistance, respec-
2 tively;

3 “(cc) the return on human
4 capital investments from occupa-
5 tional credentials and industry-
6 based skill certifications, includ-
7 ing the extent to which acquisi-
8 tion of such credentials or certifi-
9 cates enhances outcomes such as
10 entry into employment, retention,
11 earnings (including the number
12 and amount of wage increases),
13 career advancement, and layoff
14 aversion;

15 “(dd) the implications of the
16 effects of skill certifications and
17 credentials to the types and deliv-
18 ery of services provided through
19 the workforce investment system;

20 “(ee) the role that Federal
21 and State governments play in
22 fostering the development of and
23 disseminating credentials and
24 skill standards; and

1 “(ff) the use of credentials
2 by businesses to achieve goals for
3 workforce skill upgrading and
4 greater operating efficiency.

5 “(II) REPORT TO CONGRESS.—

6 The Secretary shall prepare and sub-
7 mit to Congress a report containing
8 the results of the study conducted
9 pursuant to subclause (I). Such report
10 may include any recommendations
11 that the Secretary determines are ap-
12 propriate to include in such report re-
13 lating to promoting the acquisition of
14 industry-based certification and cre-
15 dentials, and the appropriate role of
16 the Department of Labor and the
17 workforce investment system in sup-
18 porting the needs of business and in-
19 dividuals with respect to such certifi-
20 cation and credentials.

21 “(iv) STUDY OF EFFECTIVENESS OF
22 WORKFORCE INVESTMENT SYSTEM IN
23 MEETING BUSINESS NEEDS.—

24 “(I) IN GENERAL.—Using funds
25 available to carry out this section

1 jointly with funds available to the Sec-
2 retary of Commerce and Adminis-
3 trator of the Small Business Adminis-
4 tration, the Secretary, in coordination
5 with the Secretary of Commerce and
6 the Administrator of the Small Busi-
7 ness Administration, may conduct a
8 study of the effectiveness of the work-
9 force investment system in meeting
10 the needs of business, with particular
11 attention to the needs of small busi-
12 ness, including in assisting workers to
13 obtain the skills needed to utilize
14 emerging technologies. In conducting
15 the study, the Secretary, in coordina-
16 tion with the Secretary of Commerce
17 and the Administrator of the Small
18 Business Administration, may exam-
19 ine issues such as—

20 “(aa) methods for identi-
21 fying the workforce needs of
22 businesses and how the require-
23 ments of small businesses may
24 differ from larger establishments;

1 “(bb) business satisfaction
2 with the workforce investment
3 system, with particular emphasis
4 on the satisfaction of small busi-
5 nesses;

6 “(cc) the extent to which
7 business is engaged as a collabo-
8 rative partner in the workforce
9 investment system, including the
10 extent of business involvement as
11 members of State boards and
12 local boards, and the extent to
13 which such boards and one-stop
14 centers effectively collaborate
15 with business and industry lead-
16 ers in developing workforce in-
17 vestment strategies, including
18 strategies to identify high growth
19 opportunities;

20 “(dd) ways in which the
21 workforce investment system ad-
22 dresses changing skill needs of
23 business that result from changes
24 in technology and work processes;

1 “(ee) promising practices for
2 serving small businesses;

3 “(ff) the extent and manner
4 in which the workforce invest-
5 ment system uses technology to
6 serve business and individual
7 needs, and how uses of tech-
8 nology could enhance efficiency
9 and effectiveness in providing
10 services; and

11 “(gg) the extent to which
12 various segments of the labor
13 force have access to and utilize
14 technology to locate job openings
15 and apply for jobs, and charac-
16 teristics of individuals utilizing
17 such technology (such as age,
18 gender, race or ethnicity, indus-
19 try sector, and occupational
20 groups).

21 “(II) REPORT TO CONGRESS.—

22 The Secretary shall prepare and sub-
23 mit to Congress a report containing
24 the results of the study described in
25 subclause (I). Such report may in-

1 include any recommendations the Sec-
2 retary determines are appropriate to
3 include in such report, including ways
4 to enhance the effectiveness of the
5 workforce investment system in meet-
6 ing the needs of business for skilled
7 workers.”.

8 (c) ADMINISTRATION.—Section 171(d) (29 U.S.C.
9 2916(d)) is amended by striking the last sentence and in-
10 serting the following: “Such projects shall be administered
11 by the Employment and Training Administration.”.

12 (d) NEXT GENERATION TECHNOLOGIES.—Section
13 171 (29 U.S.C. 2916) is amended by adding at the end
14 the following:

15 “(e) SKILL CERTIFICATION PILOT PROJECTS.—

16 “(1) PILOT PROJECTS.—In accordance with
17 subsection (b) and from funds appropriated pursu-
18 ant to paragraph (10), the Secretary shall establish
19 and carry out not more than 10 pilot projects to es-
20 tablish a system of industry-validated national cer-
21 tifications of skills, including—

22 “(A) not more than 8 national certifi-
23 cations of skills in high-technology industries,
24 including biotechnology, telecommunications,
25 highly automated manufacturing (including

1 semiconductors), nanotechnology, and energy
2 technology; and

3 “(B) not more than 2 cross-disciplinary
4 national certifications of skills in homeland se-
5 curity technology.

6 “(2) GRANTS TO ELIGIBLE ENTITIES.—In car-
7 rying out the pilot projects, the Secretary shall make
8 grants to eligible entities, for periods of not less
9 than 36 months and not more than 48 months, to
10 carry out the authorized activities described in para-
11 graph (7) with respect to the certifications described
12 in paragraph (1). In awarding grants under this
13 subsection the Secretary shall take into consider-
14 ation awarding grants to eligible entities from di-
15 verse geographic areas, including rural areas.

16 “(3) ELIGIBLE ENTITIES.—

17 “(A) DEFINITION OF ELIGIBLE ENTITY.—

18 In this subsection the term ‘eligible entity’
19 means an entity that shall work in conjunction
20 with a local board and shall include as a prin-
21 cipal participant 1 or more of the following:

22 “(i) An educational institution, includ-
23 ing a 2- or 4-year college, or a technical or
24 vocational school.

1 “(ii) An advanced technology edu-
2 cation center.

3 “(iii) A local board.

4 “(iv) A representative of a business in
5 a target industry for the certification in-
6 volved.

7 “(v) A representative of an industry
8 association, labor organization, or commu-
9 nity development organization.

10 “(B) HISTORY OF DEMONSTRATED CAPA-
11 BILITY REQUIRED.—To be eligible to receive a
12 grant under this subsection, an eligible entity
13 shall have a history of demonstrated capability
14 for effective collaboration with industry on
15 workforce investment activities that is con-
16 sistent with the objectives of this title.

17 “(4) APPLICATIONS.—To be eligible to receive a
18 grant under this subsection, an eligible entity shall
19 submit an application to the Secretary at such time,
20 in such manner, and containing such information as
21 the Secretary may require.

22 “(5) CRITERIA.—The Secretary shall establish
23 criteria, consistent with paragraph (6), for awarding
24 grants under this subsection.

1 “(6) PRIORITY.—In selecting eligible entities to
2 receive grants under this subsection, the Secretary
3 shall give priority to eligible entities that dem-
4 onstrate the availability of and ability to provide
5 matching funds from industry or nonprofit sources.
6 Such matching funds may be provided in cash or in
7 kind.

8 “(7) AUTHORIZED ACTIVITIES.—

9 “(A) IN GENERAL.—An eligible entity that
10 receives a grant under this subsection shall use
11 the funds made available through the grant—

12 “(i) to facilitate the establishment of
13 certification requirements for a certifi-
14 cation described in paragraph (1) for an
15 industry;

16 “(ii) to develop and initiate a certifi-
17 cation program that includes preparatory
18 courses, course materials, procedures, and
19 examinations, for the certification; and

20 “(iii) to collect and analyze data re-
21 lated to the program at the program’s
22 completion, and to identify best practices
23 (consistent with paragraph (8)) that may
24 be used by State and local workforce in-
25 vestment boards in the future.

1 “(B) BASIS FOR REQUIREMENTS.—The
2 certification requirements established under the
3 grant shall be based on applicable skill stand-
4 ards for the industry involved that have been
5 developed by or linked to national centers of ex-
6 cellence under the National Science Founda-
7 tion’s Advanced Technological Education Pro-
8 gram. The requirements shall require an indi-
9 vidual to demonstrate an identifiable set of
10 competencies relevant to the industry in order
11 to receive certification. The requirements shall
12 be designed to provide evidence of a transfer-
13 able skill set that allows flexibility and mobility
14 of workers within a high technology industry.

15 “(C) RELATIONSHIP TO TRAINING AND
16 EDUCATION PROGRAMS.—The eligible entity
17 shall ensure that—

18 “(i) a training and education program
19 related to competencies for the industry in-
20 volved, that is flexible in mode and time-
21 frame for delivery and that meets the
22 needs of those seeking the certification, is
23 offered; and

1 “(ii) the certification program is of-
2 ferred at the completion of the training and
3 education program.

4 “(D) RELATIONSHIP TO THE ASSOCIATE
5 DEGREE.—The eligible entity shall ensure that
6 the certification program is consistent with the
7 requirements for a 2-year associate degree.

8 “(E) AVAILABILITY.—The eligible entity
9 shall ensure that the certification program is
10 open to students pursuing associate degrees,
11 employed workers, and displaced workers.

12 “(8) CONSULTATION.—The Secretary shall con-
13 sult with the Director of the National Science Foun-
14 dation to ensure that the pilot projects build on the
15 expertise and information about best practices
16 gained through the implementation of the National
17 Science Foundation’s Advanced Technological Edu-
18 cation Program.

19 “(9) CORE COMPONENTS; GUIDELINES; RE-
20 PORTS.—After collecting and analyzing the data ob-
21 tained from the pilot programs, the Secretary
22 shall—

23 “(A) establish the core components of a
24 model high-technology certification program;

1 “(B) establish guidelines to assure develop-
2 ment of a uniform set of standards and policies
3 for such programs;

4 “(C) prepare and submit a report on the
5 pilot projects to the Committee on Health, Edu-
6 cation, Labor, and Pensions of the Senate and
7 the Committee on Education and the Workforce
8 of the House of Representatives; and

9 “(D) make available to the public both the
10 data and the report.

11 “(10) AUTHORIZATION OF APPROPRIATIONS.—
12 In addition to amounts authorized to be appro-
13 priated under section 174(b), there is authorized to
14 be appropriated \$30,000,000 for fiscal year 2006 to
15 carry out this subsection.”.

16 (e) INTEGRATED WORKFORCE TRAINING PROGRAMS
17 FOR ADULTS WITH LIMITED ENGLISH PROFICIENCY.—
18 Section 171 (29 U.S.C. 2916), as amended by subsection
19 (d), is further amended by adding at the end the following:

20 “(f) INTEGRATED WORKFORCE TRAINING PROGRAMS
21 FOR ADULTS WITH LIMITED ENGLISH PROFICIENCY.—

22 “(1) DEFINITIONS.—In this subsection:

23 “(A) INTEGRATED WORKFORCE TRAIN-
24 ING.—The term ‘integrated workforce training’

1 means training that integrates occupational
2 skills training with language acquisition.

3 “(B) SECRETARY.—The term ‘Secretary’
4 means the Secretary of Labor in consultation
5 with the Secretary of Education.

6 “(2) DEMONSTRATION PROJECT.—In accord-
7 ance with subsection (b) and from funds appro-
8 priated pursuant to paragraph (11), the Secretary
9 shall establish and implement a national demonstra-
10 tion project designed to both analyze and provide
11 data on workforce training programs that integrate
12 English language acquisition and occupational train-
13 ing.

14 “(3) GRANTS.—

15 “(A) IN GENERAL.—In carrying out the
16 demonstration project, the Secretary shall make
17 not less than 10 grants, on a competitive basis,
18 to eligible entities to provide the integrated
19 workforce training programs. In awarding
20 grants under this subsection the Secretary shall
21 take into consideration awarding grants to eligi-
22 ble entities from diverse geographic areas, in-
23 cluding rural areas.

1 “(B) PERIODS.—The Secretary shall make
2 the grants for periods of not less than 24
3 months and not more than 48 months.

4 “(4) ELIGIBLE ENTITIES.—

5 “(A) IN GENERAL.—To be eligible to re-
6 ceive a grant under this subsection, an eligible
7 entity shall work in conjunction with a local
8 board and shall include as a principal partici-
9 pant 1 or more of the following:

10 “(i) An employer or employer associa-
11 tion.

12 “(ii) A nonprofit provider of English
13 language instruction.

14 “(iii) A provider of occupational or
15 skills training.

16 “(iv) A community-based organiza-
17 tion.

18 “(v) An educational institution, in-
19 cluding a 2- or 4-year college, or a tech-
20 nical or vocational school.

21 “(vi) A labor organization.

22 “(vii) A local board.

23 “(B) EXPERTISE.—To be eligible to re-
24 ceive a grant under this subsection, an eligible
25 entity shall have proven expertise in—

1 “(i) serving individuals with limited
2 English proficiency, including individuals
3 with lower levels of oral and written
4 English; and

5 “(ii) providing workforce programs
6 with training and English language in-
7 struction.

8 “(5) APPLICATIONS.—

9 “(A) IN GENERAL.—To be eligible to re-
10 ceive a grant under this subsection, an eligible
11 entity shall submit an application to the Sec-
12 retary at such time, in such manner, and con-
13 taining such information as the Secretary may
14 require.

15 “(B) CONTENTS.—Each application sub-
16 mitted under subparagraph (A) shall—

17 “(i) contain information, including ca-
18 pability statements, that demonstrates that
19 the eligible entity has the expertise de-
20 scribed in paragraph (4)(B); and

21 “(ii) include an assurance that the
22 program to be assisted shall—

23 “(I) establish a generalized adult
24 bilingual workforce training and edu-
25 cation model that integrates English

1 language acquisition and occupational
2 training, and incorporates the unique
3 linguistic and cultural factors of the
4 participants;

5 “(II) establish a framework by
6 which the employer, employee, and
7 other relevant members of the eligible
8 entity can create a career development
9 and training plan that assists both the
10 employer and the employee to meet
11 their long-term needs;

12 “(III) ensure that the framework
13 established under subclause (II) takes
14 into consideration the knowledge,
15 skills, and abilities of the employee
16 with respect to both the current and
17 economic conditions of the employer
18 and future labor market conditions
19 relevant to the local area; and

20 “(IV) establish identifiable meas-
21 ures so that the progress of the em-
22 ployee and employer and the relative
23 efficacy of the program can be evalu-
24 ated and best practices identified.

1 “(6) CRITERIA.—The Secretary shall establish
2 criteria for awarding grants under this subsection.

3 “(7) INTEGRATED WORKFORCE TRAINING PRO-
4 GRAMS.—

5 “(A) PROGRAM COMPONENTS.—

6 “(i) REQUIRED COMPONENTS.—Each
7 program that receives funding under this
8 subsection shall—

9 “(I) test an individual’s English
10 language proficiency levels to assess
11 oral and literacy gains from the begin-
12 ning and throughout program enroll-
13 ment;

14 “(II) combine training specific to
15 a particular occupation or occupa-
16 tional cluster, with—

17 “(aa) English language in-
18 struction, such as instruction
19 through an English as a Second
20 Language program, or an
21 English for Speakers of Other
22 Languages program;

23 “(bb) basic skills instruc-
24 tion; and

25 “(cc) supportive services;

1 “(III) effectively integrate public
2 and private sector entities, including
3 the local workforce investment system
4 and its functions, to achieve the goals
5 of the program; and

6 “(IV) require matching or in-
7 kind resources from private and non-
8 profit entities.

9 “(ii) PERMISSIBLE COMPONENTS.—
10 The program may offer other services, as
11 necessary to promote successful participa-
12 tion and completion, including work-based
13 learning, substance abuse treatment, and
14 mental health services.

15 “(B) GOAL.—Each program that receives
16 funding under this subsection shall be designed
17 to prepare limited English proficient adults for,
18 and place such adults in employment in, grow-
19 ing industries with identifiable career ladder
20 paths.

21 “(C) PROGRAM TYPES.—In selecting pro-
22 grams to receive funding under this subsection,
23 the Secretary shall select programs that meet 1
24 or more of the following criteria:

25 “(i) A program that—

1 “(I) serves unemployed, limited
2 English proficient individuals with sig-
3 nificant work experience or substan-
4 tial education but persistently low
5 wages; and

6 “(II) aims to prepare such indi-
7 viduals for, and place such individuals
8 in, higher paying employment, defined
9 for purposes of this subparagraph as
10 employment that provides at least 75
11 percent of the median wage in the
12 local area.

13 “(ii) A program that—

14 “(I) serves limited English pro-
15 ficient individuals with lower levels of
16 oral and written fluency, who are
17 working but at persistently low wages;
18 and

19 “(II) aims to prepare such indi-
20 viduals for, and place such individuals
21 in, higher paying employment,
22 through services provided at the work-
23 site, or at a location central to several
24 work sites, during work hours.

25 “(iii) A program that—

1 “(I) serves unemployed, limited
2 English proficient individuals with
3 lower levels of oral and written flu-
4 ency, who have little or no work expe-
5 rience; and

6 “(II) aims to prepare such indi-
7 viduals for, and place such individuals
8 in, employment through services that
9 include subsidized employment, in ad-
10 dition to the components required in
11 subparagraph (A)(i).

12 “(iv) A program that includes funds
13 from private and nonprofit entities.

14 “(D) PROGRAM APPROACHES.—In select-
15 ing programs to receive funding under this sub-
16 section, the Secretary shall select programs
17 with different approaches to integrated work-
18 force training, in different contexts, in order to
19 obtain comparative data on multiple approaches
20 to integrated workforce training and English
21 language instruction, to ensure programs are
22 tailored to characteristics of individuals with
23 varying skill levels, and to assess how different
24 curricula work for limited English proficient
25 populations. Such approaches may include—

1 “(i) bilingual programs in which the
2 workplace language component and the
3 training are conducted in a combination of
4 an individual’s native language and
5 English;

6 “(ii) integrated workforce training
7 programs that combine basic skills, lan-
8 guage instruction, and job specific skills
9 training; or

10 “(iii) sequential programs that provide
11 a progression of skills, language, and train-
12 ing to ensure success upon an individual’s
13 completion of the program.

14 “(8) EVALUATION BY ELIGIBLE ENTITY.—Each
15 eligible entity that receives a grant under this sub-
16 section for a program shall carry out a continuous
17 program evaluation and an evaluation specific to the
18 last phase of the program operations.

19 “(9) EVALUATION BY SECRETARY.—

20 “(A) IN GENERAL.—The Secretary shall
21 conduct an evaluation of program impacts of
22 the programs funded under the demonstration
23 project, with a random assignment, experi-
24 mental design impact study done at each work-
25 site at which such a program is carried out.

1 “(B) DATA COLLECTION AND ANALYSIS.—

2 The Secretary shall collect and analyze the data
3 from the demonstration project to determine
4 program effectiveness, including gains in lan-
5 guage proficiency, acquisition of skills, and job
6 advancement for program participants.

7 “(C) REPORT.—The Secretary shall pre-
8 pare and submit to the Committee on Health,
9 Education, Labor, and Pensions of the Senate
10 and the Committee on Education and the
11 Workforce of the House of Representatives, and
12 make available to the public, a report on the
13 demonstration project, including the results of
14 the evaluation.

15 “(10) TECHNICAL ASSISTANCE.—The Secretary
16 shall provide technical assistance to recipients of
17 grants under this subsection throughout the grant
18 periods.

19 “(11) AUTHORIZATION OF APPROPRIATIONS.—
20 In addition to amounts authorized to be appro-
21 priated under section 174(b), there is authorized to
22 be appropriated \$10,000,000 for fiscal year 2006 to
23 carry out this subsection.”.

1 (f) COMMUNITY-BASED JOB TRAINING.—Section 171
2 (29 U.S.C. 2916), as amended by subsection (e), is further
3 amended by adding at the end the following:

4 “(g) COMMUNITY-BASED JOB TRAINING.—

5 “(1) DEFINITIONS.—In this subsection:

6 “(A) COMMUNITY COLLEGE.—The term
7 ‘community college’ means—

8 “(i) an institution of higher education,
9 as defined in section 101 of the Higher
10 Education Act of 1965 (20 U.S.C. 1001),
11 that provides a 2-year degree that is ac-
12 ceptable for full credit toward a bachelor’s
13 degree; or

14 “(ii) a tribally controlled college or
15 university, as defined in section 2 of the
16 Tribally Controlled College or University
17 Assistance Act of 1978 (25 U.S.C. 1801).

18 “(B) ELIGIBLE ENTITY.—The term ‘eligi-
19 ble entity’ means a community college or a con-
20 sortium composed of a community college and
21 an institution of higher education, that shall
22 work with—

23 “(i) a local board;

24 “(ii) a business in the qualified indus-
25 try or an industry association in the quali-

1 fied industry, as identified in the applica-
2 tion of the entity; and

3 “(iii) an economic development entity.

4 “(C) INSTITUTION OF HIGHER EDU-
5 CATION.—Except as otherwise provided in sub-
6 paragraph (A)(i), the term ‘institution of higher
7 education’ has the meaning given the term in
8 section 101 of the Higher Education Act of
9 1965 (20 U.S.C. 1001) and the meaning given
10 the term postsecondary vocational institution in
11 section 102(a)(1)(B) of such Act (20 U.S.C.
12 1002(a)(1)(B)).

13 “(D) QUALIFIED INDUSTRY.—The term
14 ‘qualified industry’ means an industry or eco-
15 nomic sector that is projected to experience sig-
16 nificant growth, such as an industry or eco-
17 nomic sector that—

18 “(i) is projected to add substantial
19 numbers of new jobs to the regional econ-
20 omy;

21 “(ii) has or is projected to have sig-
22 nificant impact on the regional economy;

23 “(iii) impacts or is projected to impact
24 the growth of other industries or economic
25 sectors in the regional economy;

1 “(iv) is being transformed by tech-
2 nology and innovation requiring new
3 knowledge or skill sets for workers;

4 “(v) is a new or emerging industry or
5 economic sector that is projected to grow;
6 or

7 “(vi) requires high skills and has sig-
8 nificant labor shortages in the regional
9 economy.

10 “(2) DEMONSTRATION PROJECT.—In addition
11 to the demonstration projects authorized under sub-
12 section (b), the Secretary may establish and imple-
13 ment a national demonstration project designed—

14 “(A) to develop local innovative solutions
15 to the workforce challenges facing high-growth,
16 high-skill industries with labor shortages; and

17 “(B) to increase employment opportunities
18 for workers in high-growth, high-demand occu-
19 pations by establishing partnerships among
20 education entities, the workforce investment
21 system, and businesses in high-growth, high-
22 skill industries or sectors.

23 “(3) GRANTS.—In carrying out the national
24 demonstration project authorized under this sub-
25 section, the Secretary shall award grants, on a com-

1 petitive basis, for 2, 3, or 4 years, in accordance
2 with generally applicable Federal requirements, to
3 eligible entities to enable the eligible entities to carry
4 out activities authorized under this subsection.

5 “(4) APPLICATIONS.—To be eligible to receive a
6 grant under this subsection, an eligible entity shall
7 submit an application to the Secretary at such time,
8 in such manner, and containing such information as
9 the Secretary may require, including—

10 “(A) a description of the eligible entity
11 that will offer training under the grant;

12 “(B) a justification of the need for discre-
13 tionary funding under the grant, including the
14 need for external funds to create a program to
15 carry out the activities described in paragraph
16 (6);

17 “(C) an economic analysis of the local
18 labor market to identify—

19 “(i) high-growth, high-demand indus-
20 tries;

21 “(ii) the workforce issues faced by
22 such industries; and

23 “(iii) potential participants in pro-
24 grams funded under this subsection;

1 “(D) a description of the qualified industry
2 for which the training will occur, the availability
3 of competencies on which the training will be
4 based, and how the grant will help workers ac-
5 quire the competencies and skills necessary for
6 employment;

7 “(E) a description of the involvement of
8 the local board and businesses in the geographic
9 area where the proposed grant will be imple-
10 mented;

11 “(F) performance measures for the grant,
12 including the expected number of individuals to
13 be trained in a qualified industry, the employ-
14 ment and retention rates for such individuals in
15 a qualified industry, and initial earnings and
16 earnings increases for such individuals;

17 “(G) a description of how the activities
18 funded by the grant will be coordinated with ac-
19 tivities provided through the one-stop center in
20 the local area; and

21 “(H) a description of the local or private
22 resources that will—

23 “(i) support the activities carried out
24 under this subsection; and

1 “(ii) enable the entity to carry out
2 and expand such activities after the expira-
3 tion of the grant.

4 “(5) FACTORS FOR AWARD OF GRANT.—

5 “(A) IN GENERAL.—In awarding grants
6 under this subsection, the Secretary shall
7 consider—

8 “(i) the extent of public and private
9 collaboration, including existing partner-
10 ships among qualified industries, the eligi-
11 ble entity, and the public workforce invest-
12 ment system;

13 “(ii) the extent to which the grant will
14 provide job seekers with high-quality train-
15 ing for employment in high-growth, high-
16 demand occupations;

17 “(iii) the extent to which the grant
18 will expand the eligible entity and local
19 one-stop center’s capacity to be demand-
20 driven and responsive to local economic
21 needs;

22 “(iv) the extent to which local busi-
23 nesses commit to hire, retain, or advance
24 individuals who receive training through
25 the grant; and

1 “(v) the extent to which the eligible
2 entity commits to make any newly devel-
3 oped products, such as assessments or
4 training curriculum, available for dissemi-
5 nation nationally.

6 “(B) LEVERAGING OF RESOURCES.—In
7 awarding grants under this subsection, the Sec-
8 retary shall also consider—

9 “(i) the extent to which local or pri-
10 vate resources will be made available to
11 support the activities carried out under
12 this subsection, taking into account the re-
13 sources of the eligible entity and the enti-
14 ty’s partners; and

15 “(ii) the ability of an eligible entity to
16 continue to carry out and expand such ac-
17 tivities after the expiration of the grant.

18 “(C) DISTRIBUTION OF GRANTS.—In
19 awarding grants under this subsection, the Sec-
20 retary shall ensure an equitable distribution of
21 such grants across diverse industries and geo-
22 graphic areas.

23 “(6) USE OF FUNDS.—An eligible entity that
24 receives a grant under this subsection—

25 “(A) shall use the grant funds for—

1 “(i) the development by the commu-
2 nity college that is a part of the eligible en-
3 tity in collaboration with other partners
4 identified in the application, and, if appli-
5 cable, other representatives of qualified in-
6 dustries, of rigorous training and edu-
7 cation programs leading to an industry-rec-
8 ognized credential or degree and employ-
9 ment in the qualified industry; and

10 “(ii) training of adults, incumbent
11 workers, dislocated workers, or out-of-
12 school youth in the skills and competencies
13 needed to obtain or upgrade employment
14 in a qualified industry identified in the eli-
15 gible entity’s application; and

16 “(B) may use the grant funds for—

17 “(i) disseminating information on
18 training available for high-growth, high-de-
19 mand occupations in qualified industries
20 through the one-stop delivery system to
21 prospective participants, businesses, busi-
22 ness intermediaries, and community-based
23 organizations in the region, including
24 training available through the grant;

1 “(ii) referring individuals trained
2 under the grant for employment in quali-
3 fied industries; or

4 “(iii) enhancing integration of com-
5 munity colleges, training and education
6 with businesses, and the one-stop system
7 to meet the training needs of qualified in-
8 dustries for new and incumbent workers.

9 “(7) AUTHORITY TO REQUIRE NON-FEDERAL
10 SHARE.—The Secretary may require that recipients
11 of grants under this subsection provide a non-Fed-
12 eral share, from either cash or noncash resources, of
13 the costs of activities carried out under a grant
14 awarded under this subsection.

15 “(8) PERFORMANCE ACCOUNTABILITY AND
16 EVALUATION.—

17 “(A) PERFORMANCE ACCOUNTABILITY.—
18 The Secretary shall require an eligible entity
19 that receives a grant under this subsection to
20 submit an interim and final report to the Sec-
21 retary on the impact on business partners and
22 employment outcomes obtained by individuals
23 receiving training under this subsection using
24 the performance measures identified in the eli-
25 gible entity’s grant application.

1 “(B) EVALUATION.—The Secretary shall
2 require that an eligible entity that receives a
3 grant under this subsection participate in an
4 evaluation of activities carried out under this
5 subsection, including an evaluation using the
6 techniques described in section 172(c).”.

7 **SEC. 147. NATIONAL DISLOCATED WORKER GRANTS.**

8 (a) IN GENERAL.—Section 173 (29 U.S.C. 2918) is
9 amended—

10 (1) by striking the heading and inserting the
11 following:

12 **“SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.”;**

13 and

14 (2) in subsection (a)—

15 (A) by striking the matter preceding para-
16 graph (1) and inserting the following:

17 “(a) IN GENERAL.—The Secretary is authorized to
18 award national dislocated worker grants—”;

19 (B) in paragraph (1), by striking “sub-
20 section (c)” and inserting “subsection (b)”;

21 (C) in paragraph (3), by striking “and”
22 after the semicolon; and

23 (D) by striking paragraph (4) and insert-
24 ing the following:

1 “(4) to a State or entity (as defined in sub-
2 section (b)(1)(B)) to carry out subsection (e), in-
3 cluding providing assistance to eligible individuals;

4 “(5) to a State or entity (as defined in sub-
5 section (b)(1)(B)) to carry out subsection (f), includ-
6 ing providing assistance to eligible individuals;

7 “(6) to provide additional assistance to a State
8 board or local board where a higher than average de-
9 mand for employment and training activities for dis-
10 located members of the Armed Forces, or spouses,
11 as described in section 101(11)(E), of members of
12 the Armed Forces, described in subsection
13 (b)(2)(A)(iv), exceeds State and local resources for
14 providing such services, and where such programs
15 are to be carried out in partnership with the Depart-
16 ment of Defense and Department of Veterans Af-
17 fairs transition assistance programs; and

18 “(7) to provide assistance to a State for state-
19 wide or local use in order to—

20 “(A) address cases in which there have
21 been worker dislocations across multiple sectors
22 or across multiple local areas and such workers
23 remain dislocated;

24 “(B) meet emerging economic development
25 needs; and

1 “(C) train eligible individuals who are dis-
2 located workers described in subparagraph (A).
3 The Secretary shall issue a final decision on an application
4 for a national dislocated worker grant under this sub-
5 section not later than 45 calendar days after receipt of
6 the application. The Secretary shall issue a notice of obli-
7 gation for such a grant not later than 10 days after the
8 award of the grant.”.

9 (b) ADMINISTRATION AND ADDITIONAL ASSIST-
10 ANCE.—Section 173 (29 U.S.C. 2918) is amended—

11 (1) by striking subsection (b);

12 (2) by redesignating subsections (c) through (g)
13 as subsections (b) through (f), respectively;

14 (3) in paragraph (2) of subsection (b) (as re-
15 designated by paragraph (2))—

16 (A) in subparagraph (A), in the matter
17 preceding clause (i), by striking “national emer-
18 gency grant” and inserting “national dislocated
19 worker grant”; and

20 (B) in subparagraph (C), by striking “na-
21 tional emergency grants” and inserting “na-
22 tional dislocated worker grants”;

23 (4) by striking subsection (d) (as redesignated
24 by paragraph (2)) and inserting the following:

25 “(d) ADDITIONAL ASSISTANCE.—

1 “(1) IN GENERAL.—From the amount appro-
2 priated and made available to carry out this section
3 for any program year, the Secretary shall use not
4 more than \$20,000,000 to make grants to States to
5 provide employment and training activities under
6 section 134, in accordance with subtitle B.

7 “(2) ELIGIBLE STATES.—The Secretary shall
8 make a grant under paragraph (1) to a State for a
9 program year if—

10 “(A) the amount of the allotment that was
11 made to the State for the program year 2003
12 under the formula specified in section
13 132(b)(1)(B) as such section was in effect on
14 July 1, 2003, is greater than

15 “(B) the amount of the allotment that
16 would be made to the State for the program
17 year under the formula specified in section
18 132(b)(1)(B).

19 “(3) AMOUNT OF GRANTS.—Subject to para-
20 graph (1), the amount of the grant made under
21 paragraph (1) to a State for a program year shall
22 be based on the difference between—

23 “(A) the amount of the allotment that was
24 made to the State for the program year 2003
25 under the formula specified in section

1 132(b)(1)(B) as such section was in effect on
2 July 1, 2003; and

3 “(B) the amount of the allotment that
4 would be made to the State for the program
5 year under the formula specified in section
6 132(b)(1)(B).”;

7 (5) in subsection (e) (as redesignated by para-
8 graph (2))—

9 (A) in paragraph (1), by striking “para-
10 graph (4)(A)” and inserting “paragraph (4)”;

11 (B) in paragraph (2), by striking “sub-
12 section (g)” and inserting “subsection (f)”;

13 (C) in paragraph (3)(B), by striking “sub-
14 section (a)(4)(A)” and inserting “subsection
15 (a)(4)”;

16 (D) in paragraph (4), by striking “sub-
17 section (g)” and inserting “subsection (f)”;

18 (E) in paragraph (5), by striking “sub-
19 section (g)” and inserting “subsection (f)”;

20 (F) in paragraph (6)—

21 (i) by striking “subsection (g)” and
22 inserting “subsection (f)”;

23 (ii) by striking “subsection (c)(1)(B)”
24 and inserting “subsection (b)(1)(B)”;

1 (6) in subsection (f) (as redesignated by para-
2 graph (2))—

3 (A) in paragraph (1)—

4 (i) by striking “paragraph (4)(B)”
5 and inserting “paragraph (5)”; and

6 (ii) by striking “subsection (f)(1)(A)”
7 and inserting “subsection (e)(1)(A)”; and
8 (B) in paragraph (4)(B), by striking “sub-
9 section (a)(4)(B)” and inserting “subsection
10 (a)(5)”.

11 **SEC. 148. AUTHORIZATION OF APPROPRIATIONS FOR NA-**
12 **TIONAL ACTIVITIES.**

13 (a) IN GENERAL.—Section 174(a)(1) (29 U.S.C.
14 2919(a)(1)) is amended by striking “1999 through 2003”
15 and inserting “2006 through 2011”.

16 (b) RESERVATIONS.—Section 174(b) (29 U.S.C.
17 2919(b)) is amended to read as follows:

18 “(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND
19 PILOT PROJECTS, EVALUATIONS, INCENTIVE GRANTS.—
20 There are authorized to be appropriated to carry out sec-
21 tions 170 through 172, section 136(i), and section 503
22 such sums as may be necessary for each of fiscal years
23 2006 through 2011.”.

24 (c) ASSISTANCE FOR ELIGIBLE WORKERS.—Section
25 174(c) (29 U.S.C. 2919(c)) is amended—

1 (1) in paragraphs (1)(A) and (2)(A), by strik-
2 ing “subsection (a)(4)(A)” and inserting “subsection
3 (a)(4)”; and

4 (2) in paragraphs (1)(B) and (2)(B), by strik-
5 ing “subsection (a)(4)(B)” and inserting “subsection
6 (a)(5)”.

7 **Subtitle E—Administration**

8 **SEC. 151. REQUIREMENTS AND RESTRICTIONS.**

9 Section 181(e) (29 U.S.C. 2931(e)) is amended by
10 striking “economic development activities,”.

11 **SEC. 152. REPORTS.**

12 Section 185(c) (29 U.S.C. 2935(c)) is amended—

13 (1) in paragraph (2), by striking “and” after
14 the semicolon;

15 (2) in paragraph (3), by striking the period and
16 inserting “; and”; and

17 (3) by adding at the end the following:

18 “(4) shall have the option to submit or dissemi-
19 nate electronically any reports, records, plans, or any
20 other data that are required to be collected or dis-
21 seminated under this title.”.

22 **SEC. 153. ADMINISTRATIVE PROVISIONS.**

23 (a) ANNUAL REPORT.—Section 189(d) (29 U.S.C.
24 2939(d)) is amended—

1 (1) in paragraph (3), by striking “and” after
2 the semicolon;

3 (2) by redesignating paragraph (4) as para-
4 graph (5); and

5 (3) by inserting after paragraph (3) the fol-
6 lowing:

7 “(4) the negotiated levels of performance of the
8 States, the States’ requests for adjustments of such
9 levels, and the adjustments of such levels that are
10 made; and”.

11 (b) AVAILABILITY.—Section 189(g)(2) (29 U.S.C.
12 2939(g)(2)) is amended, in the first sentence—

13 (1) by striking “Funds” and inserting “Except
14 as otherwise provided in this paragraph, funds”; and

15 (2) by striking “each State receiving” and in-
16 serting “each recipient of”.

17 (c) GENERAL WAIVERS.—Section 189(i)(4) (29
18 U.S.C. 2939(i)(4)) is amended—

19 (1) in subparagraph (A)(i), by inserting “the
20 funding of infrastructure costs for one-stop centers,”
21 after “local boards,”; and

22 (2) by adding at the end the following:

23 “(D) EXPEDITED REQUESTS.—The Sec-
24 retary shall expedite requests for waivers of
25 statutory or regulatory requirements that have

1 been approved for a State pursuant to subpara-
2 graph (B), if the requirements of this para-
3 graph have been satisfied.”.

4 **SEC. 154. USE OF CERTAIN REAL PROPERTY.**

5 Section 193 (29 U.S.C. 2943) is amended to read as
6 follows:

7 **“SEC. 193. TRANSFER OF FEDERAL EQUITY IN STATE EM-**
8 **PLOYMENT SECURITY AGENCY REAL PROP-**
9 **ERTY TO THE STATES.**

10 “(a) TRANSFER OF FEDERAL EQUITY.—Notwith-
11 standing any other provision of law, any Federal equity
12 acquired in real property through grants to States award-
13 ed under title III of the Social Security Act (42 U.S.C.
14 501 et seq.) or under the Wagner-Peyser Act (29 U.S.C.
15 49 et seq.) is transferred to the States that used the
16 grants for the acquisition of such equity. The portion of
17 any real property that is attributable to the Federal equity
18 transferred under this section shall be used to carry out
19 activities authorized under title III of the Social Security
20 Act or the Wagner-Peyser Act. Any disposition of such
21 real property shall be carried out in accordance with the
22 procedures prescribed by the Secretary and the portion of
23 the proceeds from the disposition of such real property
24 that is attributable to the Federal equity transferred
25 under this section shall be used to carry out activities au-

1 thorized under title III of the Social Security Act or the
2 Wagner-Peyser Act.

3 “(b) LIMITATION ON USE.—A State shall not use
4 funds awarded under title III of the Social Security Act
5 or the Wagner-Peyser Act to amortize the costs of real
6 property that is purchased by any State on or after the
7 effective date of this provision.”.

8 **SEC. 155. TABLE OF CONTENTS.**

9 Section 1(b) (29 U.S.C. 9201 note) is amended—

10 (1) by striking the item relating to section 106
11 and inserting the following:

“Sec. 106. Purposes.”;

12 (2) by striking the item relating to section 123
13 and inserting the following:

“Sec. 123. Eligible providers of youth activities.”;

14 (3) by striking the item relating to section 169
15 and inserting the following:

“Sec. 169. Youth challenge grants.”;

16 (4) by striking the item relating to section 173
17 and inserting the following:

“Sec. 173. National dislocated worker grants.”;

18 (5) by striking the item relating to section 193
19 and inserting the following:

“Sec. 193. Transfer of Federal equity in State employment security agency real
property to the States.”;

1 (6) by inserting after the item relating to sec-
2 tion 243 the following:

“Sec. 244. Integrated English literacy and civics education.”;

3 and

4 (7) by striking the item relating to section 502.

5 **Subtitle F—Incentive Grants**

6 **SEC. 161. INCENTIVE GRANTS.**

7 Section 503 (20 U.S.C. 9273) is amended—

8 (1) by striking subsection (a) and inserting the
9 following:

10 “(a) IN GENERAL.—

11 “(1) PRIOR TO JULY 1, 2005.—Prior to July 1,
12 2005, the Secretary shall award a grant to each
13 State in accordance with the provisions of this sec-
14 tion as this section was in effect on July 1, 2003.

15 “(2) BEGINNING ON JULY 1, 2005.—Beginning
16 on July 1, 2005, the Secretary shall award a grant
17 to each State on the basis—

18 “(A) of the State’s exceeding the State ad-
19 justed levels of performance for title I, the ad-
20 justed levels of performance for title II, and the
21 levels of performance for programs under the
22 Carl D. Perkins Vocational and Technical Edu-
23 cation Act of 1998 (20 U.S.C. 2301 et seq.),
24 for the purpose of carrying out an innovative
25 program consistent with the requirements of

1 any 1 or more of the programs within title I,
2 title II, or such Act, respectively;

3 “(B) of exemplary performance of the
4 States in serving hard-to-serve populations (as
5 defined in section 101) (including performance
6 relating to the levels of service provided and the
7 performance outcomes on such performance
8 measures with respect to the populations);

9 “(C) of States that are effectively—

10 “(i) coordinating multiple systems
11 into a more effective workforce investment
12 system, including coordination of employ-
13 ment services under the Wagner-Peyser
14 Act (29 U.S.C. 49 et seq.) and core activi-
15 ties under title I as well as partner pro-
16 grams described in section 121;

17 “(ii) expanding access to training, in-
18 cluding through increased leveraging of re-
19 sources other than those funded through
20 programs under title I; or

21 “(iii) implementing innovative busi-
22 ness and economic development initiatives;
23 or

1 “(D) of such other factors relating to the
2 performance of the States under title I as the
3 Secretary determines are appropriate.”; and
4 (2) in subsection (b)(2), by adding at the end
5 the following:

6 “(D) USE OF FUNDS.—The funds awarded
7 to a State under this section may be used to
8 carry out any activities authorized for States
9 under chapters 4 and 5 of subtitle B of title I,
10 title II, and the Carl D. Perkins Vocational and
11 Technical Education Act of 1998 (20 U.S.C.
12 2301 et seq.), including demonstration projects
13 and innovative programs for hard-to-serve pop-
14 ulations (as defined in section 101).”.

15 **Subtitle G—Conforming**
16 **Amendments**

17 **SEC. 171. CONFORMING AMENDMENTS.**

18 (a) OLDER AMERICANS ACT OF 1965.—Section
19 512(a) of the Older Americans Act of 1965 (42 U.S.C.
20 3056j(a)) is amended by striking “(B)(vi)” and inserting
21 “(B)(v)”.

22 (b) ADULT EDUCATION AND FAMILY LITERACY
23 ACT.—Section 212(b)(3)(A)(vi) of the Adult Education
24 and Family Literacy Act (20 U.S.C. 9212(b)(3)(A)(vi))
25 is amended by striking “the representatives described in

1 section 136(i)(1)” and inserting “representatives of appro-
2 priate Federal agencies, and representatives of States and
3 political subdivisions, business and industry, employees, el-
4 igible providers of employment and training activities (as
5 defined in section 101), educators, and participants (as
6 defined in section 101), with expertise regarding workforce
7 investment policies and workforce investment activities (as
8 defined in section 101)”.

9 **TITLE II—AMENDMENTS TO THE**
10 **ADULT EDUCATION AND FAM-**
11 **ILY LITERACY ACT**

12 **SEC. 201. SHORT TITLE; PURPOSE.**

13 (a) SHORT TITLE.—This title may be cited as the
14 “Adult Education and Family Literacy Act Amendments
15 of 2005”.

16 (b) PURPOSE.—Section 202 of the Adult Education
17 and Family Literacy Act (20 U.S.C. 9201) is amended—

18 (1) in paragraph (2), by striking “and” after
19 the semicolon;

20 (2) in paragraph (3), by striking “education.”
21 and inserting “education and in the transition to
22 postsecondary education; and”; and

23 (3) by adding at the end the following:

24 “(4) assist immigrants and other individuals
25 with limited English proficiency in improving their

1 reading, writing, speaking, and mathematics skills
2 and acquiring an understanding of the American
3 free enterprise system, individual freedom, and the
4 responsibilities of citizenship.”.

5 **SEC. 202. DEFINITIONS.**

6 Section 203 of the Adult Education and Family Lit-
7 eracy Act (20 U.S.C. 9202) is amended—

8 (1) in paragraph (1)—

9 (A) in the matter preceding subparagraph
10 (A), by striking “services or instruction below
11 the postsecondary level” and inserting “aca-
12 demic instruction and education services below
13 the postsecondary level that increase an individ-
14 ual’s ability to read, write, and speak in
15 English and perform mathematics”; and

16 (B) by striking subparagraph (C)(i) and
17 inserting the following:

18 “(i) are basic skills deficient as de-
19 fined in section 101;”;

20 (2) in paragraph (2), by striking “activities de-
21 scribed in section 231(b)” and inserting “programs
22 and services which include reading, writing, speak-
23 ing, or mathematics skills, workplace literacy activi-
24 ties, family literacy activities, English language ac-
25 quisition activities, or other activities necessary for

1 the attainment of a secondary school diploma or its
2 State recognized equivalent”;

3 (3) in paragraph (5)—

4 (A) by inserting “an organization that has
5 demonstrated effectiveness in providing adult
6 education, that may include” after “means”;

7 (B) in subparagraph (B), by striking “of
8 demonstrated effectiveness”;

9 (C) in subparagraph (C), by striking “of
10 demonstrated effectiveness”; and

11 (D) in subparagraph (I), by inserting “or
12 coalition” after “consortium”;

13 (4) in paragraph (6)—

14 (A) by striking “LITERACY PROGRAM” and
15 inserting “LANGUAGE ACQUISITION PROGRAM”;

16 (B) by striking “literacy program” and in-
17 serting “language acquisition program”; and

18 (C) by inserting “reading, writing, and
19 speaking” after “competence in”;

20 (5) by striking paragraph (10);

21 (6) by redesignating paragraphs (7) through
22 (9) and (12) through (18) as paragraphs (8)
23 through (10) and (13) through (19), respectively;

24 (7) by inserting after paragraph (6) the fol-
25 lowing:

1 “(7) ESSENTIAL COMPONENTS OF READING IN-
2 STRUCTION.—The term ‘essential components of
3 reading instruction’ has the meaning given the term
4 in section 1208 of the Elementary and Secondary
5 Education Act of 1965 (20 U.S.C. 6368).”;

6 (8) by inserting after paragraph (11) the fol-
7 lowing:

8 “(12) LIMITED ENGLISH PROFICIENCY.—The
9 term ‘limited English proficiency’, when used with
10 respect to an individual, means an adult or out-of-
11 school youth who has limited ability in speaking,
12 reading, writing, or understanding the English lan-
13 guage, and—

14 “(A) whose native language is a language
15 other than English; or

16 “(B) who lives in a family or community
17 environment where a language other than
18 English is the dominant language.”;

19 (9) by striking paragraph (15), as redesignated
20 by paragraph (5), and inserting the following:

21 “(15) OUTLYING AREA.—The term ‘outlying
22 area’ means the United States Virgin Islands,
23 Guam, American Samoa, and the Commonwealth of
24 the Northern Mariana Islands.”; and

1 (10) by striking paragraph (19), as redesignated by paragraph (5), and inserting the following:

2 “(19) WORKPLACE LITERACY PROGRAM.—The
3 term ‘workplace literacy program’ means an educational program designed to improve the productivity of the workforce through the improvement of
4 literacy skills that is offered by an eligible provider
5 in collaboration with an employer or an employee organization at a workplace, at an off-site location, or
6 in a simulated workplace environment.”.

7
8
9
10
11 **SEC. 203. HOME SCHOOLS.**

12 Section 204 of the Adult Education and Family Literacy Act (20 U.S.C. 9203) is amended to read as follows:

13
14 **“SEC. 204. HOME SCHOOLS.**

15 “Nothing in this title shall be construed to affect
16 home schools, whether a home school is treated as a home
17 school or a private school under State law, or to compel
18 a parent engaged in home schooling to participate in an
19 English language acquisition program, family literacy
20 services, or adult education.”.

21 **SEC. 204. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 205 of the Adult Education and Family Literacy Act (20 U.S.C. 9204) is amended—

23 (1) by striking “1999” and inserting “2006”;
24 and
25

1 (2) by striking “2003” and inserting “2011”.

2 **SEC. 205. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE**
3 **AGENCIES; ALLOTMENTS.**

4 Section 211 of the Adult Education and Family Lit-
5 eracy Act (20 U.S.C. 9211) is amended—

6 (1) by striking subsection (a) and inserting the
7 following:

8 “(a) RESERVATION OF FUNDS.—From the sum ap-
9 propriated under section 205 for a fiscal year, the
10 Secretary—

11 “(1) shall reserve 1.5 percent to carry out sec-
12 tion 242, except that the amount so reserved shall
13 not exceed \$10,000,000;

14 “(2) shall reserve 1.5 percent to carry out sec-
15 tion 243 and subsection (f)(4), except that the
16 amount so reserved shall not exceed \$8,000,000;

17 “(3) shall make available, to the Secretary of
18 Labor, 1.72 percent for incentive grants under sec-
19 tion 136(i); and

20 “(4) shall reserve 12 percent of the amount
21 that remains after reserving funds under paragraphs
22 (1), (2) and (3) to carry out section 244.”;

23 (2) in subsection (c)(2)—

24 (A) by inserting “and the sole agency re-
25 sponsible for administering or supervising policy

1 for adult education and literacy in the Republic
2 of Palau” after “an initial allotment under
3 paragraph (1)”;

4 (B) by inserting “or served by the agency
5 for the Republic of Palau” after “by the eligible
6 agency”; and

7 (C) by striking “States and outlying
8 areas” and inserting “States, outlying areas,
9 and the Republic of Palau”;
10 (3) in subsection (e)—

11 (A) in paragraph (1)—

12 (i) by striking “the Republic of the
13 Marshall Islands, the Federated States of
14 Micronesia, and”; and

15 (ii) by striking “the Republic of the
16 Marshall Islands, the Federated States of
17 Micronesia, or” and inserting “or”; and

18 (B) in paragraph (3)—

19 (i) by striking “the Republic of the
20 Marshall Islands, the Federated States of
21 Micronesia, and”; and

22 (ii) by striking “2001” and inserting
23 “2007”; and

24 (4) by striking subsection (f) and inserting the
25 following:

1 “(f) HOLD-HARMLESS PROVISIONS.—

2 “(1) IN GENERAL.—Notwithstanding subsection
3 (c) and subject to paragraph (2), for fiscal year
4 2005 and each succeeding fiscal year, no eligible
5 agency shall receive an allotment under this section
6 that is less than 90 percent of the allotment the eli-
7 gible agency received for the preceding fiscal year
8 under this section.

9 “(2) 100 PERCENT ALLOTMENT.—Notwith-
10 standing paragraphs (1) and (2) of subsection (e),
11 an eligible agency that receives only an initial allot-
12 ment under subsection (c)(1) (and no additional al-
13 lotment under subsection (c)(2)) shall receive an al-
14 lotment under this section that is equal to 100 per-
15 cent of the initial allotment under subsection (c)(1).

16 “(3) RATABLE REDUCTION.—If for any fiscal
17 year the amount available for allotment under this
18 subtitle is insufficient to satisfy the provisions of
19 paragraphs (1) and (2), the Secretary shall ratably
20 reduce the payments to all eligible agencies, as nec-
21 essary.

22 “(4) ADDITIONAL ASSISTANCE.—

23 “(A) IN GENERAL.—From amounts re-
24 served under subsection (a)(2), the Secretary
25 shall make grants to eligible agencies described

1 in subparagraph (B) to enable such agencies to
2 provide activities authorized under chapter 2.

3 “(B) ELIGIBILITY.—An eligible agency is
4 eligible to receive a grant under this paragraph
5 for a fiscal year if the amount of the allotment
6 such agency receives under this section for the
7 fiscal year is less than the amount such agency
8 would have received for the fiscal year if the al-
9 lotment formula under this section as in effect
10 on September 30, 2003, were in effect for such
11 year.

12 “(C) AMOUNT OF GRANT.—The amount of
13 a grant made to an eligible agency under this
14 paragraph for a fiscal year shall be the dif-
15 ference between—

16 “(i) the amount of the allotment such
17 agency would have received for the fiscal
18 year if the allotment formula under this
19 section as in effect on September 30, 2003,
20 were in effect for such year; and

21 “(ii) the amount of the allotment such
22 agency receives under this section for the
23 fiscal year.”.

1 **SEC. 206. PERFORMANCE ACCOUNTABILITY SYSTEM.**

2 Section 212 of the Adult Education and Family Lit-
3 eracy Act (20 U.S.C. 9212) is amended—

4 (1) in subsection (b)—

5 (A) in paragraph (1)(A)(ii), by striking
6 “additional indicators of performance (if any)”
7 and inserting “the employment performance in-
8 dicators”;

9 (B) in paragraph (2)—

10 (i) in subparagraph (A)—

11 (I) in clause (i), by striking
12 “Demonstrated” and inserting “Meas-
13 urable”;

14 (II) by striking clause (ii) and in-
15 serting the following:

16 “(ii) Placement in, retention in, or
17 completion of, postsecondary education or
18 other training programs.”; and

19 (III) in clause (iii), by inserting
20 “(including recognized alternative
21 standards for individuals with disabil-
22 ities)” after “equivalent”;

23 (ii) by redesignating subparagraph
24 (B) as subparagraph (C);

25 (iii) by inserting after subparagraph
26 (A) the following:

1 “(B) EMPLOYMENT PERFORMANCE INDI-
2 CATORS.—An eligible agency shall identify in
3 the State plan individual participant employ-
4 ment performance indicators, including entry
5 into unsubsidized employment, retention in un-
6 subsidized employment, and career advance-
7 ment. The State workforce investment board
8 shall assist the eligible agency in obtaining and
9 using quarterly wage records to collect data for
10 such indicators, consistent with applicable Fed-
11 eral and State privacy laws.”;

12 (iv) in subparagraph (C), as redesign-
13 nated by clause (ii), by inserting “rel-
14 evant” after “additional”; and

15 (v) by adding at the end the following:

16 “(D) INDICATORS FOR WORKPLACE LIT-
17 ERACY PROGRAMS.—Special accountability
18 measures may be negotiated for workplace lit-
19 eracy programs.”; and

20 (C) in paragraph (3)—

21 (i) in subparagraph (A)—

22 (I) in clause (i)(II), by striking
23 “in performance” and inserting “the
24 agency’s performance outcomes in an

1 objective, quantifiable, and measur-
2 able form”;

3 (II) in clause (ii), by striking “3
4 programs years” and inserting “2
5 program years”;

6 (III) in clause (iii), by striking
7 “FIRST 3 YEARS” and inserting
8 “FIRST 2 YEARS”;

9 (IV) in clause (iii), by striking
10 “first 3 program years” and inserting
11 “first 2 program years”;

12 (V) in clause (v), by striking
13 “4TH AND 5TH” and inserting “3RD
14 AND 4TH”;

15 (VI) in clause (v), by striking “to
16 the fourth” and inserting “to the
17 third”;

18 (VII) in clause (v), by striking
19 “fourth and fifth” and inserting
20 “third and fourth”; and

21 (VIII) in clause (vi), by striking
22 “(II)” and inserting “(I)”;
23 (ii) in subparagraph (B)—

1 (I) by striking the heading and
2 inserting “LEVELS OF EMPLOYMENT
3 PERFORMANCE”;

4 (II) by striking “may” and in-
5 serting “shall”; and

6 (III) by striking “additional” and
7 inserting “employment performance”;
8 and

9 (iii) by adding at the end the fol-
10 lowing:

11 “(C) ALTERNATIVE ASSESSMENT SYS-
12 TEMS.—Eligible agencies may approve the use
13 of assessment systems that are not commer-
14 cially available standardized systems if such
15 systems meet the Standards for Educational
16 and Psychological Testing issued by the Joint
17 Committee on Standards for Educational and
18 Psychological Testing of the American Edu-
19 cational Research Association, the American
20 Psychological Association, and the National
21 Council on Measurement in Education.”;

22 (2) in subsection (c)—

23 (A) in paragraph (1)—

1 (i) by inserting “the Governor, the
2 State legislature, and the State workforce
3 investment board” after “Secretary”; and

4 (ii) by striking “including” and all
5 that follows through the period and insert-
6 ing “including the following:

7 “(A) Information on the levels of perform-
8 ance achieved by the eligible agency with re-
9 spect to the core indicators of performance, and
10 employment performance indicators.

11 “(B) The number and type of each eligible
12 provider that receives funding under such
13 grant.

14 “(C) The number of enrollees 16 to 18
15 years of age who enrolled in adult education not
16 later than 1 year after participating in sec-
17 ondary school education.”;

18 (B) in paragraph (2)(A), by inserting “eli-
19 gible providers and” after “available to”; and

20 (C) by adding at the end the following:

21 “(3) DATA ACCESS.—The report made available
22 under paragraph (2) shall indicate which eligible
23 agencies did not have access to State unemployment
24 insurance wage data in measuring employment per-
25 formance indicators.”; and

1 (3) by adding at the end the following:

2 “(d) PROGRAM IMPROVEMENT.—

3 “(1) IN GENERAL.—If the Secretary determines
4 that an eligible agency did not meet its adjusted lev-
5 els of performance for the core indicators of per-
6 formance described in subsection (b)(2)(A) for any
7 program year, the eligible agency shall—

8 “(A) work with the Secretary to develop
9 and implement a program improvement plan for
10 the 2 program years succeeding the program
11 year in which the eligible agency did not meet
12 its adjusted levels of performance; and

13 “(B) revise its State plan under section
14 224, if necessary, to reflect the changes agreed
15 to in the program improvement plan.

16 “(2) FURTHER ASSISTANCE.—If, after the pe-
17 riod described in paragraph (1)(A), the Secretary
18 has provided technical assistance to the eligible
19 agency but determines that the eligible agency did
20 not meet its adjusted levels of performance for the
21 core indicators of performance described in sub-
22 section (b)(2)(A), the Secretary may require the eli-
23 gible agency to make further revisions to the pro-
24 gram improvement plan described in paragraph (1).

1 Such further revisions shall be accompanied by fur-
2 ther technical assistance from the Secretary.”.

3 **SEC. 207. STATE ADMINISTRATION.**

4 Section 221(1) of the Adult Education and Family
5 Literacy Act (20 U.S.C. 9221(1)) is amended by striking
6 “and implementation” and inserting “implementation,
7 and monitoring”.

8 **SEC. 208. STATE DISTRIBUTION OF FUNDS; MATCHING RE-**
9 **QUIREMENT.**

10 Section 222 of the Adult Education and Family Lit-
11 eracy Act (20 U.S.C. 9222) is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (1)—

14 (i) by striking “82.5” the first place
15 such term appears and inserting “80”; and

16 (ii) by striking “the 82.5 percent”
17 and inserting “such amount”;

18 (B) in paragraph (2), by striking “not
19 more than 12.5 percent” and inserting “not
20 more than 15 percent”; and

21 (C) in paragraph (3), by striking
22 “\$65,000” and inserting “\$75,000”; and

23 (2) in subsection (b)(1), by striking “equal to”
24 and inserting “that is not less than”.

1 **SEC. 209. STATE LEADERSHIP ACTIVITIES.**

2 Section 223 of the Adult Education and Family Lit-
3 eracy Act (20 U.S.C. 9223) is amended—

4 (1) in subsection (a)—

5 (A) in the matter preceding paragraph (1),
6 by inserting “to develop or enhance the adult
7 education system of the State or outlying area”
8 after “activities”;

9 (B) in paragraph (1), by striking “instruc-
10 tion incorporating” and all that follows through
11 the period and inserting “instruction incor-
12 porating the essential components of reading in-
13 struction and instruction provided by volunteers
14 or by personnel of a State or outlying area.”;

15 (C) in paragraph (2), by inserting “, in-
16 cluding development and dissemination of in-
17 structional and programmatic practices based
18 on the most rigorous research available in read-
19 ing, writing, speaking, mathematics, English
20 language acquisition programs, distance learn-
21 ing, and staff training” after “activities”;

22 (D) in paragraph (5), by striking “moni-
23 toring and”;

24 (E) by striking paragraph (6) and insert-
25 ing the following:

1 “(6) The development and implementation of
2 technology applications, translation technology, or
3 distance learning, including professional development
4 to support the use of instructional technology.”; and

5 (F) by striking paragraph (7) through
6 paragraph (11) and inserting the following:

7 “(7) Coordination with—

8 “(A) other partners carrying out activities
9 authorized under this Act; and

10 “(B) existing support services, such as
11 transportation, child care, mental health serv-
12 ices, and other assistance designed to increase
13 rates of enrollment in, and successful comple-
14 tion of, adult education and literacy activities,
15 for adults enrolled in such activities.

16 “(8) Developing and disseminating curricula,
17 including curricula incorporating the essential com-
18 ponents of reading instruction as such components
19 relate to adults.

20 “(9) The provision of assistance to eligible pro-
21 viders in developing, implementing, and reporting
22 measurable progress in achieving the objectives of
23 this subtitle.

24 “(10) The development and implementation of
25 a system to assist in the transition from adult basic

1 education to postsecondary education, including link-
2 ages with postsecondary educational institutions.

3 “(11) Integration of literacy and English lan-
4 guage instruction with occupational skill training,
5 and promoting linkages with employers.

6 “(12) Activities to promote workplace literacy
7 programs.

8 “(13) Activities to promote and complement
9 local outreach initiatives described in section
10 243(b)(3)(F).

11 “(14) In cooperation with efforts funded under
12 sections 242 and 243, the development of curriculum
13 frameworks and rigorous content standards that—

14 “(A) specify what adult learners should
15 know and be able to do in the areas of reading
16 and language arts, mathematics, and English
17 language acquisition; and

18 “(B) take into consideration the following:

19 “(i) State academic standards estab-
20 lished under section 1111(b) of the Ele-
21 mentary and Secondary Education Act of
22 1965.

23 “(ii) The current adult skills and lit-
24 eracy assessments used in the State or out-
25 lying area.

1 “(iii) The core indicators of perform-
2 ance established under section
3 212(b)(2)(A).

4 “(iv) Standards and academic require-
5 ments for enrollment in non-remedial, for-
6 credit, courses in postsecondary education
7 institutions supported by the State or out-
8 lying area.

9 “(v) Where appropriate, the basic and
10 literacy skill content of occupational and
11 industry skill standards widely used by
12 business and industry in the State or out-
13 lying area.

14 “(15) In cooperation with efforts funded under
15 sections 242 and 243, development and piloting of—

16 “(A) new assessment tools and strategies
17 that identify the needs and capture the gains of
18 students at all levels, with particular emphasis
19 on—

20 “(i) students at the lowest achieve-
21 ment level;

22 “(ii) students who have limited
23 English proficiency; and

24 “(iii) adults with learning disabilities;

1 “(B) options for improving teacher quality
2 and retention; and

3 “(C) assistance in converting research into
4 practice.

5 “(16) The development and implementation of
6 programs and services to meet the needs of adult
7 learners with learning disabilities or limited English
8 proficiency.

9 “(17) Other activities of statewide significance
10 that promote the purpose of this title.”; and

11 (2) in subsection (c), by striking “being State-
12 or outlying area-imposed” and inserting “being im-
13 posed by the State or outlying area”.

14 **SEC. 210. STATE PLAN.**

15 Section 224 of the Adult Education and Family Lit-
16 eracy Act (20 U.S.C. 9224) is amended—

17 (1) in subsection (a)—

18 (A) by striking the heading and inserting
19 “4-YEAR PLANS”; and

20 (B) in paragraph (1), by striking “5” and
21 inserting “4”;

22 (2) in subsection (b)—

23 (A) in paragraph (1), by inserting “and
24 the role of provider and cooperating agencies in
25 preparing the assessment” after “serve”;

1 (B) by striking paragraph (2) and insert-
2 ing the following:

3 “(2) a description of how the eligible agency
4 will address the adult education and literacy needs
5 identified under paragraph (1) in each workforce de-
6 velopment area of the State, using funds received
7 under this subtitle, as well as other Federal, State,
8 or local funds received in partnership with other
9 agencies for the purpose of adult literacy as applica-
10 ble;”;

11 (C) in paragraph (3)—

12 (i) by inserting “and measure” after
13 “evaluate”;

14 (ii) by inserting “and improvement”
15 after “effectiveness”; and

16 (iii) by striking “212” and inserting
17 “212, including—

18 “(A) how the eligible agency will evaluate
19 and measure annually such effectiveness on a
20 grant-by-grant basis; and

21 “(B) how the eligible agency—

22 “(i) will hold eligible providers ac-
23 countable regarding the progress of such
24 providers in improving the academic
25 achievement of participants in adult edu-

1 cation programs under this subtitle and re-
2 garding the core indicators of performance
3 described in section 212(b)(2)(A); and

4 “(ii) will use technical assistance,
5 sanctions, and rewards (including alloca-
6 tion of grant funds based on performance
7 and termination of grant funds based on
8 performance)”;

9 (D) in paragraph (4), by striking “will en-
10 sure the improvement of” and inserting “im-
11 proved”;

12 (E) by redesignating paragraphs (5)
13 through (12) as paragraphs (6) through (13),
14 respectively;

15 (F) by inserting after paragraph (4) the
16 following:

17 “(5) a description of how the eligible agency
18 will improve teacher quality, the professional devel-
19 opment of eligible providers, and instruction;”;

20 (G) in paragraph (6) (as redesignated by
21 subparagraph (E)), by striking “who” and all
22 that follows through the semicolon and insert-
23 ing “that—

24 “(A) offers flexible schedules and coordi-
25 nates with necessary Federal, State, and local

1 support services (such as child care, transpor-
2 tation, mental health services, and case man-
3 agement) to enable individuals, including indi-
4 viduals with disabilities or individuals with
5 other special needs, to participate in adult edu-
6 cation and literacy activities; and

7 “(B) attempts to coordinate with support
8 services that are not provided under this sub-
9 title prior to using funds for adult education
10 and literacy activities provided under this sub-
11 title for support services;”;

12 (H) in paragraph (10) (as redesignated by
13 subparagraph (E)), by striking “plan;” and in-
14 serting “plan, which process—

15 “(A) shall include the State Workforce In-
16 vestment Board, the Governor, State officials
17 representing public schools, community colleges,
18 welfare agencies, agencies that provide services
19 to individuals with disabilities, other State
20 agencies that promote or operate adult edu-
21 cation and literacy activities, and direct pro-
22 viders of such adult literacy services; and

23 “(B) may include consultation with the
24 State agency for higher education, institutions
25 responsible for professional development of

1 adult education and literacy education program
2 instructors, institutions of higher education,
3 representatives of business and industry, ref-
4 ugee assistance programs, and community-
5 based organizations (as such term is defined in
6 section 101);”;

7 (I) in paragraph (11) (as redesignated by
8 subparagraph (E))—

9 (i) by inserting “assess potential pop-
10 ulation needs and” after “will”;

11 (ii) in subparagraph (A), by striking
12 “students” and inserting “individuals”;

13 (iii) in subparagraph (C), by striking
14 “and” after the semicolon; and

15 (iv) by adding at the end the fol-
16 lowing:

17 “(E) the unemployed; and

18 “(F) those individuals who are employed,
19 but at levels below self-sufficiency, as defined in
20 section 101.”;

21 (J) in paragraph (12) (as redesignated by
22 subparagraph (E))—

23 (i) by inserting “and how the plan
24 submitted under this subtitle is coordi-

1 nated with the plan submitted by the State
2 under title I” after “eligible agency”; and
3 (ii) by striking “and” after the semi-
4 colon;

5 (K) in paragraph (13) (as redesignated by
6 subparagraph (E)), by striking “231(c)(1).”
7 and inserting “231(c)(1), including—

8 “(A) how the State will build the capacity
9 of organizations that provide adult education
10 and literacy activities; and

11 “(B) how the State will increase the par-
12 ticipation of business and industry in adult edu-
13 cation and literacy activities;”; and

14 (L) by adding at the end the following:

15 “(14) a description of how the eligible agency
16 will consult with any State agency responsible for
17 postsecondary education to develop adult education
18 programs and services (including academic skill de-
19 velopment and support services) that prepare stu-
20 dents to enter postsecondary education upon the at-
21 tainment of a secondary school diploma or its recog-
22 nized equivalent;

23 “(15) a description of how the eligible agency
24 will consult with the State agency responsible for
25 workforce development to develop adult education

1 programs and services that are designed to prepare
2 students to enter the workforce; and

3 “(16) a description of how the eligible agency
4 will improve the professional development of eligible
5 providers of adult education and literacy activities.”;

6 (3) in subsection (c), by adding at the end the
7 following: “At the end of the first 2-year period of
8 the 4-year State plan, the eligible agency shall re-
9 view and, as needed, revise the 4-year State plan.”;
10 and

11 (4) in subsection (d)—

12 (A) in paragraph (1), by inserting “, the
13 chief State school officer, the State officer re-
14 sponsible for administering community and
15 technical colleges, and the State Workforce In-
16 vestment Board” after “Governor”; and

17 (B) in paragraph (2), by striking “com-
18 ments” and all that follows through the period
19 and inserting “comments regarding the State
20 plan by the Governor, the chief State school of-
21 ficer, the State officer responsible for admin-
22 istering community and technical colleges, and
23 the State Workforce Investment Board, and
24 any revision to the State plan, are submitted to
25 the Secretary.”.

1 **SEC. 211. PROGRAMS FOR CORRECTIONS EDUCATION AND**
2 **OTHER INSTITUTIONALIZED INDIVIDUALS.**

3 Section 225 of the Adult Education and Family Lit-
4 eracy Act (20 U.S.C. 9225) is amended—

5 (1) in subsection (b)—

6 (A) in paragraph (1), by striking “basic
7 education” and inserting “adult education and
8 literacy activities”;

9 (B) in paragraph (2), by inserting “and”
10 after the semicolon;

11 (C) by striking paragraph (3); and

12 (D) by redesignating paragraph (4) as
13 paragraph (3); and

14 (2) in subsection (d), by striking “DEFINITION
15 OF CRIMINAL OFFENDER.—” and inserting “DEFI-
16 NITIONS.—In this section:”.

17 **SEC. 212. GRANTS AND CONTRACTS FOR ELIGIBLE PRO-**
18 **VIDERS.**

19 Section 231 of the Adult Education and Family Lit-
20 eracy Act (20 U.S.C. 9241) is amended—

21 (1) in subsection (b)—

22 (A) in paragraph (1), by striking “work-
23 place literacy services” and inserting “work-
24 place literacy programs”; and

1 (B) in paragraph (3), by striking “lit-
2 eracy” and inserting “language acquisition”;
3 and
4 (2) in subsection (e)—

5 (A) in paragraph (1), by inserting “to be
6 achieved annually on the core indicators of per-
7 formance and employment performance indica-
8 tors described in section 212(b)(2)” after “out-
9 comes”;

10 (B) by striking paragraph (3) and insert-
11 ing the following:

12 “(3) the commitment of the eligible provider to
13 be responsive to local needs and to serve individuals
14 in the community who were identified by the assess-
15 ment as most in need of adult literacy services, in-
16 cluding individuals who are low-income, have mini-
17 mal literacy skills, have learning disabilities, or have
18 limited English proficiency;”;

19 (C) in paragraph (4)(B), by striking “,
20 such as” and all that follows through the semi-
21 colon and inserting “that include the essential
22 components of reading instruction;”;

23 (D) in paragraph (5), by striking “re-
24 search” and inserting “the most rigorous re-
25 search available”;

1 (E) in paragraph (7), by inserting “, when
2 appropriate and based on the most rigorous re-
3 search available,” after “real life contexts”;

4 (F) in paragraph (9), by inserting “edu-
5 cation, job training, and social service” after
6 “other available”;

7 (G) in paragraph (10)—

8 (i) by inserting “coordination with
9 Federal, State, and local” after “schedules
10 and”; and

11 (ii) by striking “and transportation”
12 and inserting “, transportation, mental
13 health services, and case management”;

14 (H) in paragraph (11)—

15 (i) by inserting “measurable” after
16 “report”;

17 (ii) by striking “eligible agency”;

18 (iii) by inserting “established by the
19 eligible agency” after “performance meas-
20 ures”; and

21 (iv) by striking “and” after the semi-
22 colon;

23 (I) in paragraph (12), by striking “literacy
24 programs.” and inserting “language acquisition
25 programs and civics education programs;”; and

1 (J) by adding at the end the following:

2 “(13) the capacity of the eligible provider to
3 produce information on performance results, includ-
4 ing enrollments and measurable participant out-
5 comes;

6 “(14) whether reading, writing, speaking, math-
7 ematics, and English language acquisition instruc-
8 tion provided by the eligible provider are based on
9 the best practices derived from the most rigorous re-
10 search available;

11 “(15) whether the eligible provider’s applica-
12 tions of technology and services to be provided are
13 sufficient to increase the amount and quality of
14 learning and lead to measurable learning gains with-
15 in specified time periods; and

16 “(16) the capacity of the eligible provider to
17 serve adult learners with learning disabilities.”.

18 **SEC. 213. LOCAL APPLICATION.**

19 Section 232 of the Adult Education and Family Lit-
20 eracy Act (20 U.S.C. 9242) is amended—

21 (1) in paragraph (1)—

22 (A) by inserting “consistent with the re-
23 quirements of this subtitle” after “spent”; and

24 (B) by striking “and” after the semicolon;

1 (2) in paragraph (2), by striking the period at
2 the end and inserting “; and”; and

3 (3) by adding at the end the following:

4 “(3) information that addresses each of the
5 considerations required under section 231(e).”.

6 **SEC. 214. LOCAL ADMINISTRATIVE COST LIMITS.**

7 Section 233 of the Adult Education and Family Lit-
8 eracy Act (20 U.S.C. 9243) is amended—

9 (1) in subsection (a)(2)—

10 (A) by inserting “and professional” after
11 “personnel”; and

12 (B) by inserting “development of measur-
13 able goals in reading, writing, and speaking the
14 English language, and in mathematical com-
15 putation,” after “development,”; and

16 (2) in subsection (b)—

17 (A) by inserting “and professional” after
18 “personnel”; and

19 (B) by inserting “development of measur-
20 able goals in reading, writing, and speaking the
21 English language, and in mathematical com-
22 putation,” after “development,”.

23 **SEC. 215. ADMINISTRATIVE PROVISIONS.**

24 Section 241(b) of the Adult Education and Family
25 Literacy Act (20 U.S.C. 9251(b)) is amended—

1 (1) in paragraph (1)(A)—

2 (A) by striking “adult education and lit-
3 eracy activities” each place the term appears
4 and inserting “activities under this subtitle”;
5 and

6 (B) by striking “was” and inserting
7 “were”; and

8 (2) in paragraph (4)—

9 (A) by inserting “not more than” after
10 “this subsection for”; and

11 (B) by striking “only”.

12 **SEC. 216. NATIONAL INSTITUTE FOR LITERACY.**

13 Section 242 of the Adult Education and Family Lit-
14 eracy Act (20 U.S.C. 9252) is amended—

15 (1) in subsection (a)—

16 (A) in paragraph (1), by striking “lit-
17 eracy” and inserting “effective literacy pro-
18 grams for children, youth, adults, and families”;

19 (B) in paragraph (2), by inserting “and
20 disseminates information on” after “coordi-
21 nates”; and

22 (C) by striking paragraph (3)(A) and in-
23 serting the following:

24 “(A) coordinating and participating in the
25 Federal effort to identify and disseminate infor-

1 mation on literacy that is derived from scientif-
2 ically based research, or the most rigorous re-
3 search available, and effective programs that
4 serve children, youth, adults, and families;
5 and”;

6 (2) by striking subsection (b)(3) and inserting
7 the following:

8 “(3) RECOMMENDATIONS.—The Interagency
9 Group, in consultation with the National Institute
10 for Literacy Advisory Board (in this section referred
11 to as the ‘Board’) established under subsection (e),
12 shall plan the goals of the Institute and the imple-
13 mentation of any programs to achieve the goals. The
14 Board may also request a meeting of the Inter-
15 agency Group to discuss any recommendations the
16 Board may make.”;

17 (3) in subsection (c)—

18 (A) in paragraph (1)—

19 (i) in subparagraph (A)—

20 (I) by striking “to establish” and
21 inserting “to maintain”;

22 (II) in clause (i), by striking
23 “phonemic awareness, systematic
24 phonics, fluency, and reading com-
25 prehension” and inserting “the essen-

1 tial components of reading instruc-
2 tion”;

3 (III) in clause (iii), by striking
4 “and” after the semicolon;

5 (IV) in clause (iv), by inserting
6 “and” after the semicolon; and

7 (V) by adding at the end the fol-
8 lowing:

9 “(v) a list of local adult education and
10 literacy programs;”;

11 (ii) in subparagraph (C)—

12 (I) by striking “reliable and
13 replicable research” and inserting “re-
14 liable and replicable research as de-
15 fined by the Institute of Education
16 Sciences”; and

17 (II) by striking “especially with
18 the Office of Educational Research
19 and Improvement in the Department
20 of Education,”;

21 (iii) in subparagraph (D), by striking
22 “phonemic awareness, systematic phonics,
23 fluency, and reading comprehension based
24 on” and inserting “the essential compo-
25 nents of reading instruction and”;

1 (iv) in subparagraph (H), by striking
2 “and” after the semicolon;

3 (v) in subparagraph (I), by striking
4 the period at the end and inserting a semi-
5 colon; and

6 (vi) by adding at the end the fol-
7 lowing:

8 “(J) to work cooperatively with the De-
9 partment of Education to assist States that are
10 pursuing the implementation of standards-based
11 educational improvements for adults through
12 the dissemination of training, technical assist-
13 ance, and related support and through the de-
14 velopment and dissemination of related stand-
15 ards-based assessment instruments; and

16 “(K) to identify rigorous research on the
17 effectiveness of instructional practices and orga-
18 nizational strategies relating to literacy pro-
19 grams on the acquisition of skills in reading,
20 writing, English acquisition, and mathe-
21 matics.”; and

22 (B) by adding at the end the following:

23 “(3) COORDINATION.—In identifying the reli-
24 able and replicable research the Institute will sup-
25 port, the Institute shall use standards for research

1 quality that are consistent with those of the Insti-
2 tute of Education Sciences.”;

3 (4) in subsection (e)—

4 (A) in paragraph (1)(B)—

5 (i) in clause (i), by striking “literacy
6 programs” and inserting “language acqui-
7 sition programs”;

8 (ii) in clause (ii), by striking “literacy
9 programs” and inserting “or have partici-
10 pated in or partnered with workplace lit-
11 eracy programs”;

12 (iii) in clause (iv), by inserting “, in-
13 cluding adult literacy research” after “re-
14 search”;

15 (iv) in clause (vi), by striking “and”
16 after the semicolon;

17 (v) in clause (vii), by striking the pe-
18 riod at the end and inserting “; and”; and

19 (vi) by adding at the end the fol-
20 lowing:

21 “(viii) institutions of higher edu-
22 cation.”;

23 (B) in paragraph (2)—

24 (i) in subparagraph (B), by striking
25 “and” after the semicolon;

1 (ii) in subparagraph (C), by striking
2 the period at the end and inserting “;
3 and”; and

4 (iii) by adding at the end the fol-
5 lowing:

6 “(D) review the biennial report submitted
7 to Congress pursuant to subsection (k).”; and

8 (C) in paragraph (5), by striking the sec-
9 ond sentence and inserting the following: “A
10 recommendation of the Board may be passed
11 only by a majority of the Board’s members
12 present at a meeting for which there is a
13 quorum.”; and

14 (5) in subsection (k)—

15 (A) by striking “Labor and Human Re-
16 sources” and inserting “Health, Education,
17 Labor, and Pensions”; and

18 (B) by striking “The Institute shall submit
19 a report biennially to” and inserting “Not later
20 than 1 year after the date of enactment of the
21 Adult Education and Family Literacy Act
22 Amendments of 2005, and biennially thereafter,
23 the Institute shall submit a report to”.

1 **SEC. 217. NATIONAL LEADERSHIP ACTIVITIES.**

2 Section 243 of the Adult Education and Family Lit-
3 eracy Act (20 U.S.C. 9253) is amended to read as follows:

4 **“SEC. 243. NATIONAL LEADERSHIP ACTIVITIES.**

5 “(a) IN GENERAL.—The Secretary shall establish
6 and carry out a program of national leadership activities
7 to enhance the quality of adult education and literacy pro-
8 grams nationwide.

9 “(b) PERMISSIVE ACTIVITIES.—The national leader-
10 ship activities described in subsection (a) may include the
11 following:

12 “(1) Technical assistance, including—

13 “(A) assistance provided to eligible pro-
14 viders in developing and using performance
15 measures for the improvement of adult edu-
16 cation and literacy activities, including family
17 literacy services;

18 “(B) assistance related to professional de-
19 velopment activities, and assistance for the pur-
20 poses of developing, improving, identifying, and
21 disseminating the most successful methods and
22 techniques for providing adult education and
23 literacy activities, including family literacy serv-
24 ices, based on scientific evidence where avail-
25 able;

1 “(C) assistance in distance learning and
2 promoting and improving the use of technology
3 in the classroom;

4 “(D) assistance in developing valid, meas-
5 urable, and reliable performance data, including
6 data about employment and employment out-
7 come, and using performance information for
8 the improvement of adult education and literacy
9 programs; and

10 “(E) assistance to help States, particularly
11 low-performing States, meet the requirements
12 of section 212.

13 “(2) A program of grants, contracts, or cooper-
14 ative agreements awarded on a competitive basis to
15 national, regional, or local networks of private non-
16 profit organizations, public libraries, or institutions
17 of higher education to build the capacity of such net-
18 works’ members to meet the performance require-
19 ments of eligible providers under this title and in-
20 volve adult learners in program improvement.

21 “(3) Funding national leadership activities that
22 are not described in paragraph (1), either directly or
23 through grants, contracts, or cooperative agreements
24 awarded on a competitive basis to or with postsec-
25 ondary educational institutions, public or private or-

1 organizations or agencies, or consortia of such institu-
2 tions, organizations, or agencies, such as—

3 “(A) developing, improving, and identifying
4 the most successful methods and techniques for
5 addressing the education needs of adults, in-
6 cluding instructional practices using the essen-
7 tial components of reading instruction based on
8 the work of the National Institute of Child
9 Health and Human Development;

10 “(B) increasing the effectiveness of, and
11 improving the quality of, adult education and
12 literacy activities, including family literacy serv-
13 ices;

14 “(C) carrying out research on national lit-
15 eracy basic skill acquisition for adult learning,
16 including estimating the number of adults func-
17 tioning at the lowest levels of literacy pro-
18 ficiency;

19 “(D)(i) carrying out demonstration pro-
20 grams;

21 “(ii) disseminating best practices informa-
22 tion, including information regarding promising
23 practices resulting from federally funded dem-
24 onstration programs; and

1 “(iii) developing and replicating best prac-
2 tices and innovative programs, including—

3 “(I) the development of models for
4 basic skill certificates;

5 “(II) the identification of effective
6 strategies for working with adults with
7 learning disabilities and with adults with
8 limited English proficiency;

9 “(III) integrated basic and workplace
10 skills education programs;

11 “(IV) coordinated literacy and em-
12 ployment services; and

13 “(V) postsecondary education transi-
14 tion programs;

15 “(E) providing for the conduct of an inde-
16 pendent evaluation and assessment of adult
17 education and literacy activities through studies
18 and analyses conducted independently through
19 grants and contracts awarded on a competitive
20 basis, which evaluation and assessment shall in-
21 clude descriptions of—

22 “(i) the effect of performance meas-
23 ures and other measures of accountability
24 on the delivery of adult education and lit-

1 eracy activities, including family literacy
2 services;

3 “(ii) the extent to which the adult
4 education and literacy activities, including
5 family literacy services, increase the lit-
6 eracy skills of adults (and of children, in
7 the case of family literacy services), lead
8 the participants in such activities to in-
9 volvement in further education and train-
10 ing, enhance the employment and earnings
11 of such participants, and, if applicable,
12 lead to other positive outcomes, such as re-
13 ductions in recidivism in the case of pris-
14 on-based adult education and literacy ac-
15 tivities;

16 “(iii) the extent to which the provision
17 of support services to adults enrolled in
18 adult education and family literacy pro-
19 grams increase the rate of enrollment in,
20 and successful completion of, such pro-
21 grams; and

22 “(iv) the extent to which different
23 types of providers measurably improve the
24 skills of participants in adult education
25 and literacy programs;

1 “(F) supporting efforts aimed at capacity
2 building of programs at the State and local lev-
3 els such as technical assistance in program
4 planning, assessment, evaluation, and moni-
5 toring of activities carried out under this sub-
6 title;

7 “(G) collecting data, such as data regard-
8 ing the improvement of both local and State
9 data systems, through technical assistance and
10 development of model performance data collec-
11 tion systems;

12 “(H) supporting the development of an en-
13 tity that would produce and distribute tech-
14 nology-based programs and materials for adult
15 education and literacy programs using an inter-
16 connection system (as defined in section 397 of
17 the Communications Act of 1934 (47 U.S.C.
18 397)) and expand the effective outreach and
19 use of such programs and materials to adult
20 education eligible providers;

21 “(I) determining how participation in adult
22 education and literacy activities prepares indi-
23 viduals for entry into postsecondary education
24 and employment and, in the case of prison-
25 based services, has an effect on recidivism; and

1 “(J) other activities designed to enhance
2 the quality of adult education and literacy ac-
3 tivities nationwide.”.

4 **SEC. 218. INTEGRATED ENGLISH LITERACY AND CIVICS**
5 **EDUCATION.**

6 Chapter 4 of subtitle A of title II (29 U.S.C. 9251
7 et seq.) is amended by adding at the end the following:

8 **“SEC. 244. INTEGRATED ENGLISH LITERACY AND CIVICS**
9 **EDUCATION.**

10 “(a) IN GENERAL.—From funds made available
11 under section 211(a)(4) for each fiscal year, the Secretary
12 shall award grants to States, from allotments under sub-
13 section (b), for integrated English literacy and civics edu-
14 cation.

15 “(b) ALLOTMENT.—

16 “(1) IN GENERAL.—Subject to paragraph (2),
17 from amounts made available under section
18 211(a)(4) for a fiscal year, the Secretary shall
19 allocate—

20 “(A) 65 percent to the States on the basis
21 of a State’s need for integrated English literacy
22 and civics education as determined by calcu-
23 lating each State’s share of a 10-year average
24 of the Immigration and Naturalization Service
25 data for immigrants admitted for legal perma-

1 nent residence for the 10 most recent years;
2 and

3 “(B) 35 percent to the States on the basis
4 of whether the State experienced growth as
5 measured by the average of the 3 most recent
6 years for which Immigration and Naturalization
7 Service data for immigrants admitted for legal
8 permanent residence are available.

9 “(2) MINIMUM.—No State shall receive an al-
10 lotment under paragraph (1) in an amount that is
11 less than \$60,000.”.

12 **SEC. 219. TRANSITION.**

13 The Secretary shall take such steps as the Secretary
14 determines to be appropriate to provide for the orderly
15 transition to the authority of the Adult Education and
16 Family Literacy Act (as amended by this title) from any
17 authority under provisions of the Adult Education and
18 Family Literacy Act (as such Act was in effect on the day
19 before the date of enactment of the Adult Education and
20 Family Literacy Act Amendments of 2005).

1 **TITLE III—AMENDMENTS TO**
2 **OTHER PROVISIONS OF LAW**

3 **SEC. 301. WAGNER-PEYSER ACT.**

4 (a) CONFORMING AMENDMENT.—Section 2(3) of the
5 Wagner-Peyser Act (29 U.S.C. 49a(3)) is amended by
6 striking “section 134(c)” and inserting “section 121(e)”.

7 (b) COLOCATION.—Section 3 of the Wagner-Peyser
8 Act (29 U.S.C. 49b) is amended by adding at the end the
9 following:

10 “(d) In order to avoid duplication of services and en-
11 hance integration of services, employment services offices
12 in each State shall be colocated with one-stop centers es-
13 tablished under title I of the Workforce Investment Act
14 of 1998 (29 U.S.C. 2801 et seq.).”.

15 (c) COOPERATIVE STATISTICAL PROGRAM.—Section
16 14 of the Wagner-Peyser Act (29 U.S.C. 49l–1) is amend-
17 ed by striking the section heading and all that follows
18 through “There” and inserting the following:

19 **“SEC. 14. COOPERATIVE STATISTICAL PROGRAM.**

20 “‘There’.

21 (d) WORKFORCE AND LABOR MARKET INFORMATION
22 SYSTEM.—Section 15 of the Wagner-Peyser Act (29
23 U.S.C. 49l–2) is amended—

24 (1) by striking the section heading and insert-
25 ing the following:

1 **“SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION**
2 **SYSTEM.”;**

3 (2)(A) by striking “employment statistics sys-
4 tem” each place it appears and inserting “workforce
5 and labor market information system”; and

6 (B) in subsection (c), by striking “employment
7 statistics systems” and inserting “work-force and
8 labor market information systems”;

9 (3) in subsection (a)(1), by striking “of employ-
10 ment statistics”;

11 (4) in subsection (b)—

12 (A) in paragraph (1)—

13 (i) by striking “The” and inserting
14 the following:

15 “(A) STRUCTURE.—The”; and

16 (ii) by adding at the end the fol-
17 lowing:

18 “(B) GRANTS OR COOPERATIVE AGREE-
19 MENTS.—

20 “(i) IN GENERAL.—The Secretary
21 shall carry out the provisions of this sec-
22 tion in a timely manner through grants or
23 cooperative agreements with States.

24 “(ii) DISTRIBUTION OF FUNDS.—With
25 regard to distributing funds appropriated
26 under subsection (g) (relating to workforce

1 and labor market information funding) for
2 fiscal years 2006 through 2011, the Sec-
3 retary shall continue to distribute the
4 funds to States in the manner in which the
5 Secretary distributed funds to the States
6 under this section for fiscal years 1999
7 through 2003.”; and

8 (B) in paragraph (2)(E)—

9 (i) in clause (i), by adding “and” at
10 the end;

11 (ii) in clause (ii), by striking “; and”
12 and inserting a period; and

13 (iii) by striking clause (iii);

14 (5) by striking subsections (c) and (d) and in-
15 serting the following:

16 “(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE
17 SERVICES.—The Secretary, in consultation with States, is
18 authorized to assist in the development of national elec-
19 tronic tools that may be used to improve access to work-
20 force information for individuals through—

21 “(1) the one-stop delivery systems established
22 under section 121(e) of the Workforce Investment
23 Act of 1998 (29 U.S.C. 2841(e)); and

24 “(2) such other delivery systems as the Sec-
25 retary determines to be appropriate.

1 “(d) TWO-YEAR PLAN.—The Secretary, working
2 through the Commissioner of Labor Statistics, and in co-
3 operation with the States and with the assistance of the
4 Assistant Secretary for Employment and Training and
5 heads of other appropriate Federal agencies, shall prepare
6 a 2-year plan which shall be the mechanism for achieving
7 cooperative management of the nationwide workforce and
8 labor market information system described in subsection
9 (a) and the statewide workforce and labor market informa-
10 tion systems that comprise the nationwide system. The
11 plan shall—

12 “(1) describe the steps the to be taken in the
13 following 2 years to carry out the duties described
14 in subsection (b)(2);

15 “(2) evaluate the performance of the system
16 and recommend needed improvements, with par-
17 ticular attention to the improvements needed at the
18 State and local levels; and

19 “(3) describe the involvement of States in the
20 development of the plan, through consultation be-
21 tween the Secretary and representatives from State
22 agencies in accordance with subsection (i).”;

23 (6) in subsection (e)(2)—

24 (A) in subparagraph (G), by adding “and”
25 at the end;

1 (B) by striking subparagraph (H); and
2 (C) by redesignating subparagraph (I) as
3 subparagraph (H);
4 (7) in subsection (g), by striking “1999 through
5 2004” and inserting “2006 through 2011”; and
6 (8) by adding at the end the following:
7 “(i) COORDINATION WITH THE STATES.—The Sec-
8 retary, working through the Commissioner of Labor Statis-
9 tics and in coordination with the Assistant Secretary for
10 Employment and Training, shall consult at least annually
11 with representatives of each of the Federal regions of the
12 Department of Labor, elected (pursuant to a process es-
13 tablished by the Secretary) by and from the State work-
14 force and labor market information directors affiliated
15 with the State agencies that perform the duties described
16 in subsection (e)(2).”.

17 **TITLE IV—REHABILITATION ACT**
18 **AMENDMENTS**

19 **SEC. 401. SHORT TITLE.**

20 This title may be cited as the “Rehabilitation Act
21 Amendments of 2005”.

1 **SEC. 402. TECHNICAL AMENDMENTS TO TABLE OF CON-**
2 **TENTS.**

3 (a) EXPANDED TRANSITION SERVICES.—Section
4 1(b) of the Rehabilitation Act of 1973 is amended by in-
5 serting after the item relating to section 110 the following:

 “Sec. 110A. Reservation for expanded transition services.”.

6 (b) INCENTIVE GRANTS.—Section 1(b) of the Reha-
7 bilitation Act of 1973 is amended by inserting after the
8 item relating to section 112 the following:

 “Sec. 113. Incentive grants.”.

9 (c) INDEPENDENT LIVING SERVICES FOR OLDER IN-
10 DIVIDUALS WHO ARE BLIND.—Section 1(b) of the Reha-
11 bilitation Act of 1973 is amended by striking the items
12 relating to sections 752 and 753 and inserting the fol-
13 lowing:

 “Sec. 752. Training and technical assistance.

 “Sec. 753. Program of grants.

 “Sec. 754. Authorization of appropriations.”.

14 **SEC. 403. PURPOSE.**

15 Section 2 of the Rehabilitation Act of 1973 (29
16 U.S.C. 701) is amended—

17 (1) in subsection (a)—

18 (A) in paragraph (5), by striking “and”
19 after the semicolon;

20 (B) in paragraph (6), by striking the pe-
21 riod at the end and inserting “; and”; and

22 (C) by adding at the end the following:

1 “(7)(A) a high proportion of youth who are in-
2 dividuals with disabilities is leaving special education
3 without being employed or being enrolled in con-
4 tinuing education; and

5 “(B) there is a substantial need to support
6 those youth as the youth transition from school to
7 postsecondary life.”; and

8 (2) in subsection (b)—

9 (A) in paragraph (1)(F), by striking “and”
10 after the semicolon;

11 (B) in paragraph (2), by striking the pe-
12 riod at the end and inserting “; and”; and

13 (C) by adding at the end the following:

14 “(3) to provide opportunities for employers and
15 vocational rehabilitation service providers to provide
16 meaningful input at all levels of government to en-
17 sure successful employment of individuals with dis-
18 abilities.”.

19 **SEC. 404. DEFINITIONS.**

20 Section 7 of the Rehabilitation Act of 1973 (29
21 U.S.C. 705) is amended—

22 (1) in paragraph (2)(B)—

23 (A) in the matter preceding clause (i), by
24 inserting “and literacy services” after “sup-
25 ported employment”; and

1 (B) in clause (iii), by inserting “and lit-
2 eracy skills” after “educational achievements”;
3 (2) by striking paragraphs (3) and (4) and in-
4 serting the following:

5 “(3) ASSISTIVE TECHNOLOGY DEFINITIONS.—

6 “(A) ASSISTIVE TECHNOLOGY.—The term
7 ‘assistive technology’ has the meaning given
8 such term in section 3 of the Assistive Tech-
9 nology Act of 1998 (29 U.S.C. 3002).

10 “(B) ASSISTIVE TECHNOLOGY DEVICE.—

11 The term ‘assistive technology device’ has the
12 meaning given such term in section 3 of the As-
13 sistive Technology Act of 1998, except that the
14 reference in such section to the term ‘individ-
15 uals with disabilities’ shall be deemed to mean
16 more than one individual with a disability as
17 defined in paragraph (20)(A).

18 “(C) ASSISTIVE TECHNOLOGY SERVICE.—

19 The term ‘assistive technology service’ has the
20 meaning given such term in section 3 of the As-
21 sistive Technology Act of 1998, except that the
22 reference in such section—

23 “(i) to the term ‘individual with a dis-
24 ability’ shall be deemed to mean an indi-

1 vidual with a disability, as defined in para-
2 graph (20)(A); and

3 “(ii) to the term ‘individuals with dis-
4 abilities’ shall be deemed to mean more
5 than one such individual.”;

6 (3) by striking paragraph (7) and inserting the
7 following:

8 “(7) CONSUMER ORGANIZATION.—The term
9 ‘consumer organization’ means a membership orga-
10 nization in which a majority of the organization’s
11 members and a majority of the organization’s offi-
12 cers are individuals with disabilities.”;

13 (4) in paragraph (17)—

14 (A) in subparagraph (C), by striking
15 “and” after the semicolon;

16 (B) in subparagraph (D), by striking the
17 period at the end and inserting “; and”; and

18 (C) by adding at the end the following:

19 “(E) maintaining individuals with signifi-
20 cant disabilities in, or transitioning individuals
21 with significant disabilities to, community-based
22 living.”;

23 (5) by redesignating paragraphs (24) through
24 (28), (29) through (34), (35) through (37), and (38)
25 through (39), as paragraphs (25) through (29), (31)

1 through (36), (38) through (40), and (42) through
2 (43), respectively;

3 (6) by inserting after paragraph (23) the fol-
4 lowing:

5 “(24) LITERACY.—The term ‘literacy’ has the
6 meaning given the term in section 203 of the Adult
7 Education and Family Literacy Act (20 U.S.C.
8 9202).”;

9 (7) by inserting after paragraph (29), as redes-
10 ignated by paragraph (5), the following:

11 “(30) POST-EMPLOYMENT SERVICE.—The term
12 ‘post-employment’ service means a service identified
13 in section 103(a) that is—

14 “(A) provided subsequent to the achieve-
15 ment of an employment outcome; and

16 “(B) necessary for an individual to main-
17 tain, regain, or advance in employment, con-
18 sistent with the individual’s strengths, re-
19 sources, priorities, concerns, abilities, capabili-
20 ties, interests, and informed choice.”;

21 (8) by inserting after paragraph (36), as redes-
22 ignated by paragraph (5), the following:

23 “(37) STUDENT WITH A DISABILITY.—

24 “(A) IN GENERAL.—The term ‘student
25 with a disability’ means an individual with a

1 disability who attends an elementary school or
2 secondary school and who—

3 “(i) is not younger than 16 years of
4 age;

5 “(ii) is not older than 22 years of age;

6 “(iii) has been determined to be eligi-
7 ble under section 102(a) for assistance
8 under title I; and

9 “(iv)(I) is eligible for, and receiving,
10 special education or related services under
11 part B of the Individuals with Disabilities
12 Education Act (20 U.S.C. 1411 et seq.); or

13 “(II) is an individual with a disability,
14 for purposes of section 504.

15 “(B) STUDENTS WITH DISABILITIES.—The
16 term ‘students with disabilities’ means more
17 than 1 student with a disability.”;

18 (9) in paragraph (38)(A)(ii), as redesignated by
19 paragraph (5), by striking “paragraph (36)(C)” and
20 inserting “paragraph (39)(C)”; and

21 (10) by inserting after paragraph (40), as re-
22 designated by paragraph (5), the following:

23 “(41) TRANSITION SERVICES EXPANSION
24 YEAR.—The term ‘transition services expansion
25 year’ means—

1 “(A) the first fiscal year for which the
2 amount appropriated under section 100(b) ex-
3 ceeds the amount appropriated under section
4 100(b) for fiscal year 2005 by not less than
5 \$100,000,000; and

6 “(B) each fiscal year subsequent to that
7 first fiscal year.”.

8 **SEC. 405. ADMINISTRATION OF THE ACT.**

9 Section 12(a)(1) of the Rehabilitation Act of 1973
10 (29 U.S.C. 709(a)(1)) is amended—

11 (1) by inserting “(A)” after “(1)”;

12 (2) by adding at the end the following:

13 “(B) provide technical assistance to the des-
14 ignated State units on developing successful partner-
15 ships with local and multi-State businesses in an ef-
16 fort to employ individuals with disabilities; and

17 “(C) provide technical assistance on developing
18 self-employment opportunities and outcomes for in-
19 dividuals with disabilities;”.

20 **SEC. 406. REPORTS.**

21 Section 13 of the Rehabilitation Act of 1973 (29
22 U.S.C. 710) is amended by adding at the end the fol-
23 lowing:

24 “(d)(1)(A) The Commissioner shall ensure that the
25 reports, information, and data described in subparagraph

1 (B) will be posted in a timely manner on the website of
2 the Department of Education, in order to inform the pub-
3 lic about the administration and performance of programs
4 in each State under this Act.

5 “(B) The reports, information, and data referred to
6 in subparagraph (A) shall consist of—

7 “(i) reports submitted by a designated State
8 unit under this Act;

9 “(ii) accountability information (including State
10 performance information relating to evaluation
11 standards and performance indicators under section
12 106 and State performance information relating to
13 State performance measures under section 136 of
14 the Workforce Investment Act of 1998 (29 U.S.C.
15 2871)) submitted by a designated State unit under
16 this Act or submitted under such section 136;

17 “(iii) data collected from each designated State
18 unit under this Act with the approval of the Office
19 of Management and Budget; and

20 “(iv) monitoring reports conducted under this
21 Act.

22 “(C) The Commissioner shall maintain, and post on
23 the website, a listing of the reports, information, and data
24 required to be submitted by designated State units under
25 this Act.

1 “(D) The Commissioner shall post on the website, or
2 establish links on the website to, evaluations, studies, and
3 audits, including evaluations, studies, and audits con-
4 ducted by the Government Accountability Office, con-
5 cerning programs carried out under this Act.

6 “(E) The Commissioner shall maintain on the website
7 a list of the designated State units and shall establish
8 links on the website to websites maintained by those units.

9 “(2) The Commissioner shall maintain public use
10 read-only access to the State and aggregated reports and
11 analyzed data filed and maintained on the Rehabilitation
12 Services Administration management information system
13 or a similar system maintained by the Department of Edu-
14 cation.”.

15 **SEC. 407. CARRYOVER.**

16 Section 19 of the Rehabilitation Act of 1973 (29
17 U.S.C. 716) is amended—

18 (1) in subsection (a)(1)—

19 (A) by striking “, section 509 (except as
20 provided in section 509(b))”;

21 (B) by striking “or C”; and

22 (C) by striking “752(b)” and inserting
23 “753(b)”; and

24 (2) by adding at the end the following:

1 “(c) CLIENT ASSISTANCE PROGRAM; PROTECTION
2 AND ADVOCACY OF INDIVIDUAL RIGHTS.—

3 “(1) APPROPRIATED AMOUNTS.—Notwith-
4 standing any other provision of law, any funds ap-
5 propriated for a fiscal year to carry out a grant pro-
6 gram under section 112 or 509 (except as provided
7 in section 509(b)), including any funds reallocated
8 under such grant program, that are not obligated
9 and expended by recipients prior to the beginning of
10 the succeeding fiscal year shall remain available for
11 obligation and expenditure by such recipients during
12 such succeeding fiscal year.

13 “(2) PROGRAM INCOME.—Notwithstanding any
14 other provision of law, any amounts of program in-
15 come received by recipients under a grant program
16 under section 112 or 509 in a fiscal year that are
17 not obligated and expended by recipients prior to the
18 beginning of the succeeding fiscal year, shall remain
19 available until expended.”.

20 **Subtitle A—Vocational**
21 **Rehabilitation Services**

22 **SEC. 411. DECLARATION OF POLICY; AUTHORIZATION OF**
23 **APPROPRIATIONS.**

24 Section 100(b)(1) of the Rehabilitation Act of 1973
25 (29 U.S.C. 720(b)(1)) is amended by striking “fiscal years

1 1999 through 2003” and inserting “fiscal years 2006
2 through 2011”.

3 **SEC. 412. STATE PLANS.**

4 (a) IN GENERAL.—Section 101(a) of the Rehabilita-
5 tion Act of 1973 (29 U.S.C. 721(a)) is amended—

6 (1) in paragraph (2), by adding at the end the
7 following:

8 “(D) STATE AGENCY FOR REIMBURSE-
9 MENT PURPOSES.—A governing body of an In-
10 dian tribe that receives a grant under section
11 121 shall be considered, for purposes of the cost
12 reimbursement provisions—

13 “(i) in section 222(d)(1) of the Social
14 Security Act (42 U.S.C. 422(d)(1)), to be
15 a State; and

16 “(ii) in subsections (d) and (e) of sec-
17 tion 1615 of the Social Security Act (42
18 U.S.C. 1382d), to be a State agency de-
19 scribed in subsection (d) of that section.”;

20 (2) in paragraph (6)(B), by striking “to employ
21 and advance in employment” and inserting “to re-
22 cruit, employ, and advance in employment”;

23 (3) in paragraph (7)(A)(v), by striking sub-
24 clause (I) and inserting the following:

1 “(I) a system for the continuing
2 education of rehabilitation profes-
3 sionals and paraprofessionals within
4 the designated State unit, particularly
5 with respect to rehabilitation tech-
6 nology, including training imple-
7 mented in coordination with State
8 programs carried out under section 4
9 of the Assistive Technology Act of
10 1998 (29 U.S.C. 3003); and”;

11 (4) in paragraph (10)—

12 (A) in subparagraph (B), by striking “an-
13 nual reporting on the eligible individuals receiv-
14 ing the services, on those specific data elements
15 described in section 136(d)(2) of the Workforce
16 Investment Act of 1998” and inserting “annual
17 reporting of information on eligible individuals
18 receiving the services that is needed to assess
19 performance on the core indicators of perform-
20 ance described in section 136(b)(2)(A)(i) of the
21 Workforce Investment Act of 1998 (29 U.S.C.
22 2871(b)(2)(A)(i))”;

23 (B) in subparagraph (C), by striking
24 clauses (iii) and (iv) and inserting the following:

1 “(iii) the number of applicants and el-
2 igible recipients, including the number of
3 individuals with significant disabilities, who
4 exited the program carried out under this
5 title and the number of such individuals
6 who achieved employment outcomes after
7 receiving vocational rehabilitation services;
8 and

9 “(iv) the number of individuals who
10 received vocational rehabilitation services
11 who entered and retained employment and
12 the earnings of such individuals, as such
13 entry, retention, and earnings are defined
14 for purposes of the core indicators of per-
15 formance described in section
16 136(b)(2)(A)(i) of the Workforce Invest-
17 ment Act of 1998 (29 U.S.C.
18 2871(b)(2)(A)(i)).”; and

19 (C) in subparagraph (E)(ii), by striking
20 “in meeting” and all that follows through the
21 period and inserting “in meeting the standards
22 and indicators established pursuant to section
23 106.”;
24 (5) in paragraph (11)—

1 (A) by striking subparagraph (C) and in-
2 serting the following:

3 “(C) INTERAGENCY COOPERATION WITH
4 OTHER AGENCIES.—The State plan shall in-
5 clude descriptions of interagency cooperation
6 with, and utilization of the services and facili-
7 ties of, Federal, State, and local agencies and
8 programs, including the State programs carried
9 out under section 4 of the Assistive Technology
10 Act of 1998 (29 U.S.C. 3003), programs car-
11 ried out by the Under Secretary for Rural De-
12 velopment of the Department of Agriculture,
13 and State use contracting programs, to the ex-
14 tent that such agencies and programs are not
15 carrying out activities through the statewide
16 workforce investment system.”;

17 (B) by striking subparagraph (D)(ii) and
18 inserting the following:

19 “(ii) transition planning by personnel
20 of the designated State agency and the
21 State educational agency that will facilitate
22 the development and completion of the in-
23 dividualized education programs under sec-
24 tion 614(d) of the Individuals with Disabil-
25 ities Education Act (20 U.S.C. 1414(d))

1 and, as appropriate, the development and
2 completion of the individualized plan for
3 employment, in order to achieve post-
4 school employment outcomes of students
5 with disabilities;” and

6 (C) by adding at the end the following:

7 “(G) COORDINATION WITH ASSISTIVE
8 TECHNOLOGY PROGRAMS.—The State plan shall
9 include an assurance that the designated State
10 unit, and the lead agency and implementing
11 agency (if any) designated by the Governor of
12 the State under section 4 of the Assistive Tech-
13 nology Act of 1998 (29 U.S.C. 3003), have de-
14 veloped working relationships and will enter
15 into agreements for the coordination of their ac-
16 tivities, including the referral of individuals
17 with disabilities to programs and activities de-
18 scribed in that section.

19 “(H) COORDINATION WITH TICKET TO
20 WORK AND SELF-SUFFICIENCY PROGRAM.—The
21 State plan shall include an assurance that the
22 designated State unit will coordinate activities
23 with any other State agency that is functioning
24 as an employment network under the Ticket to
25 Work and Self-Sufficiency Program established

1 under section 1148 of the Social Security Act
2 (42 U.S.C. 1320b–19).”;
3 (6) in paragraph (15)—
4 (A) in subparagraph (A)—
5 (i) in clause (i)—
6 (I) in subclause (II), by striking
7 “and” after the semicolon;
8 (II) in subclause (III), by insert-
9 ing “and” after the semicolon; and
10 (III) by adding at the end the
11 following:
12 “(IV) for purposes of addressing
13 needs in a transition services expan-
14 sion year, students with disabilities,
15 including their need for transition
16 services;”;
17 (ii) by redesignating clauses (ii) and
18 (iii) as clauses (iii) and (iv), respectively;
19 and
20 (iii) by inserting after clause (i) the
21 following:
22 “(ii) include an assessment of the
23 needs of individuals with disabilities for
24 transition services provided under this Act,
25 and coordinated with transition services

1 provided under the Individuals with Dis-
2 abilities Education Act (20 U.S.C. 1400 et
3 seq.), and an assessment as to whether the
4 transition services provided under those
5 Acts meet the needs of individuals with
6 disabilities;” and

7 (B) in subparagraph (D)—

8 (i) by redesignating clauses (iii), (iv),
9 and (v) as clauses (iv), (v), and (vi), re-
10 spectively; and

11 (ii) by inserting after clause (ii) the
12 following:

13 “(iii) for use in a transition services
14 expansion year, the methods to be used to
15 improve and expand vocational rehabilita-
16 tion services for students with disabilities,
17 including the coordination of services de-
18 signed to facilitate the transition of such
19 students from the receipt of educational
20 services in school to postsecondary life, in-
21 cluding the receipt of vocational rehabilita-
22 tion services under this title, postsecondary
23 education, or employment;”;

24 (7) in paragraph (20)—

1 (A) by redesignating subparagraph (B) as
2 subparagraph (C);

3 (B) by inserting after subparagraph (A)
4 the following:

5 “(B) INFORMATION ON ASSISTANCE FOR
6 BENEFICIARIES OF ASSISTANCE UNDER TITLE
7 II OR XVI OF THE SOCIAL SECURITY ACT.—The
8 State plan shall include an assurance that the
9 designated State agency will make available to
10 individuals entitled to benefits under title II or
11 XVI of the Social Security Act (42 U.S.C. 401
12 et seq., 1381 et seq.) on the basis of a disability
13 or blindness—

14 “(i) information on the availability of
15 benefits and medical assistance authorized
16 under the State medicaid program under
17 title XIX of the Social Security Act (42
18 U.S.C. 1396 et seq.) or under the medicare
19 program under title XVIII of the Social
20 Security Act (42 U.S.C. 1395 et seq.), and
21 medical assistance authorized under other
22 federally funded programs;

23 “(ii) information on the availability of
24 assistance through benefits planning and
25 assistance programs authorized under sec-

tion 1149 of the Social Security Act (42 U.S.C. 1320b–20) and services provided by the State protection and advocacy system and authorized under section 1150 of the Social Security Act (42 U.S.C. 1320b–21); and

“(iii) in the case of individuals who are also eligible for a ticket under the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19), general information regarding the options for using the ticket and information on how to contact a program manager of the Ticket to Work and Self-Sufficiency Program to obtain information on approved employment networks, on providers for the benefits planning and assistance programs described in subparagraph (B) in the State, and on the services provided by the State protection and advocacy system and described in subparagraph (B).”; and

(C) in subparagraph (C)(ii), as redesignated by subparagraph (A)—

1 (i) in subclause (II), by inserting “, to
2 the maximum extent possible,” after
3 “point of contact”; and

4 (ii) in subclause (III), by striking “or
5 regain” and inserting “regain, or advance
6 in”; and

7 (8) by adding at the end the following:

8 “(25) SERVICES FOR STUDENTS WITH DISABIL-
9 ITIES.—The State plan for a transition services ex-
10 pansion year shall provide an assurance satisfactory
11 to the Secretary that the State—

12 “(A) has developed and shall implement, in
13 each transition services expansion year, strate-
14 gies to address the needs identified in the as-
15 sessment described in paragraph (15), and
16 achieve the goals and priorities identified by the
17 State, to improve and expand vocational reha-
18 bilitation services for students with disabilities
19 on a statewide basis in accordance with para-
20 graph (15); and

21 “(B) in each transition services expansion
22 year—

23 “(i) shall not use more than 5 percent
24 of the funds reserved under section 110A

1 and available for this subparagraph, to pay
2 for administrative costs; and

3 “(ii) shall use the remaining funds to
4 carry out programs or activities designed
5 to improve and expand vocational rehabili-
6 tation services for students with disabil-
7 ities, through partnerships described in
8 subparagraph (C), that—

9 “(I) facilitate the transition of
10 the students with disabilities from the
11 receipt of educational services in
12 school, to the receipt of vocational re-
13 habilitation services under this title,
14 including, at a minimum, those serv-
15 ices specified in the interagency agree-
16 ment required in paragraph (11)(D);

17 “(II) improve the achievement of
18 post-school goals of students with dis-
19 abilities through the provision of tran-
20 sition services, including improving
21 the achievement through participation
22 (as appropriate when vocational goals
23 are discussed) in meetings regarding
24 individualized education programs de-
25 veloped under section 614 of the Indi-

1 viduals with Disabilities Education
2 Act (20 U.S.C. 1414);

3 “(III) provide vocational guid-
4 ance, career exploration services, and
5 job search skills and strategies and
6 technical assistance to students with
7 disabilities;

8 “(IV) support the provision of
9 training and technical assistance to
10 local educational agency personnel re-
11 sponsible for the planning and provi-
12 sion of services to students with dis-
13 abilities; and

14 “(V) support outreach activities
15 to students with disabilities who are
16 eligible for, and need, services under
17 this title; and

18 “(C) in each transition services expansion
19 year, shall ensure that the funds described in
20 subparagraph (B)(ii) are awarded only to part-
21 nerships that—

22 “(i) shall include local vocational re-
23 habilitation services providers and local
24 educational agencies; and

1 “(ii) may include (or may have link-
2 ages with) other agencies such as employ-
3 ment, social service, and health organiza-
4 tions, that contribute funds for the provi-
5 sion of vocational rehabilitation services
6 described in subparagraph (B)(ii) for eligi-
7 ble students with disabilities.”.

8 (b) CONSTRUCTION.—Section 101 of the Rehabilita-
9 tion Act of 1973 (29 U.S.C. 721) is amended by adding
10 at the end the following:

11 “(c) CONSTRUCTION.—

12 “(1) DEFINITIONS.—In this subsection, the
13 terms ‘child with a disability’, ‘free appropriate pub-
14 lic education’, ‘related services’, and ‘special edu-
15 cation’ have the meanings given the terms in section
16 602 of the Individuals with Disabilities Education
17 Act (20 U.S.C. 1401).

18 “(2) OBLIGATION TO PROVIDE OR PAY FOR
19 TRANSITION SERVICES.—Nothing in this part shall
20 be construed to reduce the obligation of a local edu-
21 cational agency or any other agency to provide or
22 pay for any transition services that are also consid-
23 ered special education or related services and that
24 are necessary for ensuring a free appropriate public

1 education to children with disabilities within the
2 State involved.”.

3 **SEC. 413. ELIGIBILITY AND INDIVIDUALIZED PLAN FOR EM-**
4 **PLOYMENT.**

5 Section 102 of the Rehabilitation Act of 1973 (29
6 U.S.C. 722) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (1)—

9 (i) in subparagraph (A), by striking
10 the semicolon at the end and inserting “,
11 including a listing of all the community re-
12 sources (including resources from con-
13 sumer organizations), to the maximum ex-
14 tent possible, to assist in the development
15 of such individual’s individualized plan for
16 employment to enable the individual to
17 make informed and effective choices in de-
18 veloping the individualized plan for employ-
19 ment;”; and

20 (ii) in subparagraph (D)—

21 (I) in clause (i), by striking
22 “and” after the semicolon;

23 (II) in clause (ii), by striking the
24 period at the end and inserting a
25 semicolon; and

1 (III) by adding at the end the
2 following:

3 “(iii) for individuals entitled to benefits
4 under title II or XVI of the Social Security Act
5 (42 U.S.C. 401 et seq., 1381 et seq.) on the
6 basis of a disability or blindness—

7 “(I) information on the avail-
8 ability of benefits and medical assist-
9 ance authorized under the State med-
10 icaid program under title XIX of the
11 Social Security Act (42 U.S.C. 1396
12 et seq.) or under the medicare pro-
13 gram under title XVIII of the Social
14 Security Act (42 U.S.C. 1395 et seq.),
15 and medical assistance authorized
16 under other federally funded pro-
17 grams;

18 “(II) information on the avail-
19 ability of assistance through benefits
20 planning and assistance programs au-
21 thorized under section 1149 of the So-
22 cial Security Act (42 U.S.C. 1320b-
23 20) and services provided by the State
24 protection and advocacy system and
25 authorized under section 1150 of the

1 Social Security Act (42 U.S.C.
2 1320b–21); and

3 “(III) in the case of individuals
4 who are also eligible for a ticket under
5 the Ticket to Work and Self-Suffi-
6 ciency Program established under sec-
7 tion 1148 of the Social Security Act
8 (42 U.S.C. 1320b–19), general infor-
9 mation regarding the options for
10 using the ticket and information on
11 how to contact a program manager of
12 the Ticket to Work and Self-Suffi-
13 ciency Program to obtain information
14 on approved employment networks, on
15 providers for the benefits planning
16 and assistance programs described in
17 subparagraph (B) in the State, and
18 on the services provided by the State
19 protection and advocacy system and
20 described in subparagraph (B).”;

21 (B) in paragraph (2)(E)—

22 (i) in clause (i)(II), by striking “and”
23 after the semicolon;

24 (ii) in clause (ii), by striking the pe-
25 riod at the end and inserting “; and”; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(iii) amended, as necessary, to in-
4 clude the post-employment services and
5 service providers that are necessary for the
6 individual to maintain, regain, or advance
7 in employment, consistent with the individ-
8 ual’s strengths, resources, priorities, con-
9 cerns, abilities, capabilities, interests, and
10 informed choice.”; and

11 (C) in paragraph (3)—

12 (i) in subparagraph (B)(i)(I), by strik-
13 ing “and personal assistance services” and
14 all that follows and inserting “mentoring
15 services, and personal assistance services,
16 including training in the management of
17 such services, and referrals described in
18 section 103(a)(3) to the device reutilization
19 programs and device demonstrations de-
20 scribed in subparagraphs (B) and (D) of
21 section 4(e)(2) of the Assistive Technology
22 Act of 1998 (42 U.S.C. 3003(e)(2))
23 through agreements developed under sec-
24 tion 101(a)(11)(G); and”;

1 (ii) in subparagraph (F)(ii), by strik-
2 ing “and” after the semicolon;

3 (iii) in subparagraph (G), by striking
4 the period at the end and inserting “;
5 and”; and

6 (iv) by adding at the end the fol-
7 lowing:

8 “(H) for an individual who is receiving as-
9 sistance from an employment network under
10 the Ticket to Work and Self-Sufficiency Pro-
11 gram established under section 1148 of the So-
12 cial Security Act (42 U.S.C. 1320b–19), a list
13 of the services that are listed in the individual
14 work plan that the individual developed with
15 the employment network under subsection (g)
16 of that section.”; and

17 (2) in subsection (c)(7)—

18 (A) by inserting “that take into consider-
19 ation the informed choice of the individual,”
20 after “plan development”; and

21 (B) by adding at the end the following: “If
22 the services at issue are evaluation or assess-
23 ment services or plan development and the des-
24 ignated State unit determines that the services
25 or development do not take into consideration

1 the informed choice of the individual, the des-
2 ignated State shall prepare a new individualized
3 plan of employment for the individual in accord-
4 ance with this section and taking into consider-
5 ation such informed choice.”.

6 **SEC. 414. VOCATIONAL REHABILITATION SERVICES.**

7 Section 103 of the Rehabilitation Act of 1973 (29
8 U.S.C. 723) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (5), by inserting “literacy
11 services,” after “vocational adjustment serv-
12 ices,”;

13 (B) by striking paragraph (15) and insert-
14 ing the following:

15 “(15) transition services for students with dis-
16 abilities, that facilitate the transition from school to
17 postsecondary life (including employment through
18 the achievement of the employment outcome identi-
19 fied in the individualized plan for employment), in-
20 cluding, in a transition services expansion year, serv-
21 ices described in clauses (i) through (iii) of section
22 101(a)(25)(B);”;

23 (C) in paragraph (17), by striking “and”
24 after the semicolon;

1 (D) in paragraph (18), by striking the pe-
2 riod at the end and inserting “; and”; and

3 (E) by adding at the end the following:

4 “(19) mentoring services.”; and

5 (2) in subsection (b), by striking paragraph (6)
6 and inserting the following:

7 “(6)(A)(i) Consultation and technical assistance
8 services to assist State and local educational agen-
9 cies in planning for the transition of students with
10 disabilities from school to postsecondary life, includ-
11 ing employment.

12 “(ii) In a transition services expansion year,
13 training and technical assistance described in section
14 101(a)(25)(B)(iv).

15 “(B) In a transition services expansion year,
16 services for groups of individuals with disabilities
17 who meet the requirements of clauses (i) and (iii) of
18 section 7(35)(A), including services described in
19 clauses (i), (ii), (iii), and (v) of section
20 101(a)(25)(B), to assist in the transition from
21 school to postsecondary life, including employment.”.

22 **SEC. 415. STATE REHABILITATION COUNCIL.**

23 Section 105 of the Rehabilitation Act of 1973 (29
24 U.S.C. 725) is amended—

25 (1) in subsection (b)—

1 (A) in paragraph (1)(A)—

2 (i) by striking clause (ix) and insert-
3 ing the following:

4 “(ix) in a State in which one or more
5 projects provide services under section 121,
6 at least one representative of the directors
7 of the projects;”;

8 (ii) in clause (x), by striking the
9 “and” after the semicolon;

10 (iii) in clause (xi), by striking the pe-
11 riod at the end and inserting “; and”; and

12 (iv) by adding at the end the fol-
13 lowing:

14 “(xii) the director of the State’s com-
15 prehensive statewide program of tech-
16 nology-related assistance funded under sec-
17 tion 4 of the Assistive Technology Act of
18 1998 (29 U.S.C. 3003).”; and

19 (B) by striking paragraph (5) and insert-
20 ing the following:

21 “(5) CHAIRPERSON.—The Council shall select a
22 chairperson from among the voting membership of
23 the Council.”; and

24 (2) in subsection (c)(6), by inserting before the
25 semicolon the following: “and with the activities of

1 entities carrying out programs under the Assistive
2 Technology Act of 1998 (29 U.S.C. 3001 et seq.)”.

3 **SEC. 416. EVALUATION STANDARDS AND PERFORMANCE**
4 **INDICATORS.**

5 Section 106 of the Rehabilitation Act of 1973 (29
6 U.S.C. 726) is amended—

7 (1) in subsection (a), by striking paragraph
8 (1)(C) and all that follows through paragraph (2)
9 and inserting the following:

10 “(2) MEASURES.—The standards and indica-
11 tors shall include outcome and related measures of
12 program performance that include measures of the
13 program’s performance with respect to the transition
14 from school to postsecondary life, including employ-
15 ment, and achievement of the postsecondary voca-
16 tional goals, of students with disabilities served
17 under the program.”; and

18 (2) in subsection (b)(2)(B)(i), by striking “, if
19 necessary” and all that follows through the semi-
20 colon and inserting “, if the State has not improved
21 its performance to acceptable levels, as determined
22 by the Commissioner, direct the State to make fur-
23 ther revisions to the plan to improve performance,
24 which may include revising the plan to allocate a
25 higher proportion of the State’s resources for serv-

1 ices to individuals with disabilities if the State agen-
2 cy's spending on such services is low in comparison
3 to spending on such services by comparable agencies
4 in other States;”.

5 **SEC. 417. MONITORING AND REVIEW.**

6 Section 107(b)(1) of the Rehabilitation Act of 1973
7 (29 U.S.C. 727(b)(1)) is amended by inserting before the
8 semicolon the following: “, including—

9 “(A) consulting with the Department of
10 Labor, the Small Business Administration,
11 other appropriate Federal agencies, and busi-
12 nesses or business-led intermediaries; and

13 “(B) based on information obtained
14 through the consultations, providing technical
15 assistance that improves that quality by ena-
16 bling designated State units to develop success-
17 ful partnerships with local and multi-State busi-
18 nesses in an effort to employ individuals with
19 disabilities, and technical assistance on devel-
20 oping self-employment opportunities and out-
21 comes for individuals with disabilities”.

22 **SEC. 418. STATE ALLOTMENTS.**

23 Section 110 of the Rehabilitation Act of 1973 (29
24 U.S.C. 730) is amended—

1 (1) by striking subsection (b) and inserting the
2 following:

3 “(b)(1) Not later than 45 days prior to the end of
4 the fiscal year, the Commissioner shall determine, after
5 reasonable opportunity for the submission to the Commis-
6 sioner of comments by the State agency administering or
7 supervising the program established under this title, that
8 any amount from the payment of an allotment to a State
9 under section 111(a) for any fiscal year will not be utilized
10 by such State in carrying out the purposes of this title.

11 “(2)(A) As soon as practicable but not later than the
12 end of the fiscal year, the Commissioner shall reallocate the
13 amount available under paragraph (1) to other States,
14 consistent with subparagraphs (B) and (C), for carrying
15 out the purposes of this title to the extent the Commis-
16 sioner determines such other State will be able to use such
17 additional amount during that fiscal year or the subse-
18 quent fiscal year for carrying out such purposes.

19 “(B)(i) The Commissioner shall reallocate a portion of
20 the amount available under paragraph (1) for a fiscal year
21 to each State whose allotment under subsection (a) for
22 such fiscal year is less than such State’s allotment under
23 subsection (a) for the immediately preceding fiscal year
24 adjusted by the percentage change in the funds available

1 for subsection (a) from the immediately preceding fiscal
2 year.

3 “(ii)(I) A State that is eligible to receive a reallocot-
4 ment under clause (i) shall receive a portion for a fiscal
5 year from the amount available for reallocotment under
6 paragraph (1) that is equal to the difference between—

7 “(aa) the amount such State was allotted under
8 subsection (a) for such fiscal year; and

9 “(bb) the amount such State was allotted under
10 subsection (a) for the immediately preceding fiscal
11 year adjusted by the percentage change in the funds
12 available for subsection (a) from the immediately
13 preceding fiscal year.

14 “(II) If the amount available for reallocotment under
15 paragraph (1) is insufficient to provide each State eligible
16 to receive a reallocotment with the portion described in sub-
17 clause (I), the amount reallocated to each eligible State
18 shall be determined by the Commissioner.

19 “(C) If there are funds remaining after each State
20 eligible to receive a reallocotment under subparagraph (B)(i)
21 receives the portion described in subparagraph (B)(ii), the
22 Commissioner shall reallocate the remaining funds among the
23 States requesting a reallocotment.

24 “(3) The Commissioner shall reallocate an amount to a
25 State under this subsection only if the State will be able

1 to make sufficient payments from non-Federal sources to
2 pay for the non-Federal share of the cost of vocational
3 rehabilitation services under the State plan for the fiscal
4 year for which the amount was appropriated.

5 “(4) For the purposes of this part, any amount made
6 available to a State for any fiscal year pursuant to this
7 subsection shall be regarded as an increase of such State’s
8 allotment (as determined under the preceding provisions
9 of this section) for such year.”; and

10 (2) by striking subsection (c)(2) and inserting
11 the following:

12 “(2)(A) In this paragraph, the term ‘appropriated
13 amount’ means the amount appropriated under section
14 100(b)(1) for allotment under this section.

15 “(B) For each fiscal year involved, the sum referred
16 to in paragraph (1) shall be, as determined by the
17 Secretary—

18 “(i) not less than the total of the sum reserved
19 under this subsection for the preceding fiscal year
20 and 0.1 percent of the appropriated amount for the
21 fiscal year involved, subject to clause (ii); and

22 “(ii) not more than 1.5 percent of the appro-
23 priated amount for the fiscal year involved.”.

1 **SEC. 419. RESERVATION FOR EXPANDED TRANSITION**
2 **SERVICES.**

3 The Rehabilitation Act of 1973 is amended by insert-
4 ing after section 110 (29 U.S.C. 730) the following:

5 **“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION**
6 **SERVICES.**

7 “(a) RESERVATION.—From the State allotment
8 under section 110 in a transition services expansion year,
9 each State shall reserve an amount calculated by the Com-
10 missioner under subsection (b) to carry out programs and
11 activities under sections 101(a)(25)(B) and 103(b)(6).

12 “(b) CALCULATION.—The Commissioner shall cal-
13 culate the amount to be reserved for such programs and
14 activities for a fiscal year by each State by multiplying
15 \$50,000,000 by the percentage determined by dividing—

16 “(1) the amount allotted to that State under
17 section 110 for the prior fiscal year; by

18 “(2) the total amount allotted to all States
19 under section 110 for that prior fiscal year.”.

20 **SEC. 420. CLIENT ASSISTANCE PROGRAM.**

21 Section 112 of the Rehabilitation Act of 1973 (29
22 U.S.C. 732) is amended—

23 (1) in subsection (a)—

24 (A) in the first sentence, by striking
25 “States” and inserting “agencies designated
26 under subsection (c)”; and

1 (B) in the second sentence, by striking
2 “State” and inserting “State in which the pro-
3 gram is located”;

4 (2) in subsection (b), by striking “the State has
5 in effect not later than October 1, 1984, a client as-
6 sistance program which” and inserting “the State
7 designated under subsection (c) an agency that”;

8 (3) in subsection (e)—

9 (A) in paragraph (1)—

10 (i) in subparagraph (A), by striking
11 “The Secretary” and all that follows
12 through the period and inserting the fol-
13 lowing: “After reserving funds under sub-
14 paragraphs (E) and (F), the Secretary
15 shall allot the remainder of the sums ap-
16 propriated for each fiscal year under this
17 section among the agencies designated
18 under subsection (c) within the States (re-
19 ferred to individually in this subsection as
20 a ‘designated agency’) on the basis of rel-
21 ative population of each State, except that
22 no such agency shall receive less than
23 \$50,000.”;

1 (ii) in subparagraph (B), by inserting
2 “the designated agencies located in” after
3 “each to”;

4 (iii) in subparagraph (D)(i)—
5 (I) by inserting “the designated
6 agencies located in” after “\$100,000
7 for”; and

8 (II) by inserting “the designated
9 agencies located in” after “\$45,000
10 for”; and

11 (iv) by adding at the end the fol-
12 lowing:

13 “(E)(i) For any fiscal year for which the amount ap-
14 propriated to carry out this section equals or exceeds
15 \$13,000,000, the Secretary shall reserve funds appro-
16 priated under this section to make a grant to the protec-
17 tion and advocacy system serving the American Indian
18 Consortium to provide client assistance services in accord-
19 ance with this section. The amount of such a grant shall
20 be the same amount as is provided to a territory under
21 subparagraph (B), as increased under clauses (i) and (ii)
22 of subparagraph (D).

23 “(ii) In this subparagraph:

24 “(I) The term ‘American Indian Consortium’
25 has the meaning given the term in section 102 of the

1 Developmental Disabilities Assistance and Bill of
2 Rights Act of 2000 (42 U.S.C. 15002).

3 “(II) The term ‘protection and advocacy sys-
4 tem’ means a protection and advocacy system estab-
5 lished under subtitle C of title I of the Develop-
6 mental Disabilities Assistance and Bill of Rights Act
7 of 2000 (42 U.S.C. 15041 et seq.).

8 “(F) For any fiscal year for which the amount appro-
9 priated to carry out this section equals or exceeds
10 \$14,000,000, the Secretary shall reserve not less than 1.8
11 percent and not more than 2.2 percent of such amount
12 to provide a grant for training and technical assistance
13 for the programs established under this section. Such
14 training and technical assistance shall be coordinated with
15 activities provided under section 509(c)(1)(A).”; and

16 (B) in paragraph (2)—

17 (i) by striking “State” each place
18 such term appears and inserting “des-
19 ignated agency”; and

20 (ii) by striking “States” each place
21 such term appears and inserting “des-
22 ignated agencies”;

23 (4) in subsection (f), by striking “State” and
24 inserting “agency designated under subsection (c)”;

1 (5) in subsection (g)(1), by striking “State”
2 and inserting “State in which the program is lo-
3 cated”; and

4 (6) in subsection (h), by striking “fiscal years
5 1999 through 2003” and inserting “fiscal years
6 2006 through 2011”.

7 **SEC. 421. INCENTIVE GRANTS.**

8 Part B of title I of the Rehabilitation Act of 1973
9 (29 U.S.C. 730 et seq.) is amended by adding at the end
10 the following:

11 **“SEC. 113. INCENTIVE GRANTS.**

12 “(a) **AUTHORITY.**—The Commissioner is authorized
13 to make incentive grants to States that, based on the cri-
14 teria established under subsection (b)(1), demonstrate—

15 “(1) a high level of performance; or

16 “(2) a significantly improved level of perform-
17 ance in a reporting period as compared to the pre-
18 vious reporting period or periods.

19 “(b) **CRITERIA.**—

20 “(1) **ESTABLISHMENT.**—Not later than 180
21 days after the date of enactment of this section, the
22 Commissioner shall establish, and publish in the
23 Federal Register, criteria for making grant awards
24 under subsection (a).

1 “(2) DEVELOPMENT AND EVALUATION STAND-
2 ARDS.—The criteria established under paragraph (1)
3 shall—

4 “(A) be developed with input from des-
5 ignated State agencies and other vocational re-
6 habilitation stakeholders, including vocational
7 rehabilitation consumers and consumer organi-
8 zations; and

9 “(B) be based upon the evaluation stand-
10 ards and performance indicators established
11 under section 106 and other performance-re-
12 lated measures that the Commissioner deter-
13 mines to be appropriate.

14 “(c) USE OF FUNDS.—A State that receives a grant
15 under subsection (a) shall use the grant funds for any ap-
16 proved activities in the State’s State plan submitted under
17 section 101.

18 “(d) NO NON-FEDERAL SHARE REQUIREMENT.—
19 The provisions of sections 101(a)(3) and 111(a)(2) shall
20 not apply to this section.

21 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to carry out this section
23 such sums as may be necessary for each of fiscal years
24 2006 through 2011.”.

1 **SEC. 422. VOCATIONAL REHABILITATION SERVICES**
2 **GRANTS.**

3 Section 121 of the Rehabilitation Act of 1973 (29
4 U.S.C. 741) is amended—

5 (1) in subsection (a), in the first sentence, by
6 inserting “, consistent with such individuals’
7 strengths, resources, priorities, concerns, abilities,
8 capabilities, interests, and informed choice, so that
9 such individuals may prepare for, and engage in,
10 gainful employment” before the period at the end;
11 and

12 (2) in subsection (b)—

13 (A) in paragraph (1)—

14 (i) in subparagraph (B), by striking
15 “and” after the semicolon;

16 (ii) in subparagraph (C), by striking
17 the period at the end and inserting “;
18 and”; and

19 (iii) by adding at the end the fol-
20 lowing:

21 “(D) contains assurances that—

22 “(i) all decisions affecting eligibility for vo-
23 cational rehabilitation services, the nature and
24 scope of available services, and the provision of
25 such services, will be made by a representative

1 of the tribal vocational rehabilitation program;
2 and

3 “(ii) such decisions will not be delegated to
4 another agency or individual.”;

5 (B) in paragraph (3), by striking the first
6 sentence and inserting the following: “An appli-
7 cation approved under this part that complies
8 with the program requirements set forth in the
9 regulations promulgated to carry out this part
10 shall be effective for 5 years and shall be re-
11 newed for additional 5-year periods if the Com-
12 missioner determines that the grant recipient
13 demonstrated acceptable past performance and
14 the grant recipient submits a plan, including a
15 proposed budget, to the Commissioner that the
16 Commissioner approves that identifies future
17 performance criteria, goals, and objectives.”;
18 and

19 (C) by striking paragraph (4) and insert-
20 ing the following:

21 “(4) In allocating funds under this part, the Sec-
22 retary shall give priority to paying the continuation costs
23 of projects in existence on the date of the allocation and
24 may provide for increases in funding for such projects that
25 the Secretary determines to be necessary.”.

1 **SEC. 423. GAO STUDIES.**

2 (a) STUDY ON TITLE I AND TICKET TO WORK.—

3 (1) IN GENERAL.—The Comptroller General of
4 the United States shall conduct a study on the inter-
5 action of programs carried out under title I of the
6 Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.)
7 with the Ticket to Work and Self-Sufficiency Pro-
8 gram established under section 1148 of the Social
9 Security Act (42 U.S.C. 1320b–19), including the
10 impact of the interaction on beneficiaries, commu-
11 nity rehabilitation programs (as defined in section 7
12 of the Rehabilitation Act of 1973 (29 U.S.C. 705)),
13 and State vocational rehabilitation agencies.

14 (2) CONDUCT OF STUDY.—In conducting the
15 study under paragraph (1), the Comptroller General
16 of the United States shall consult with all types of
17 participants in the Ticket to Work and Self-Suffi-
18 ciency Program, including the Social Security Ad-
19 ministration, the Rehabilitation Services Administra-
20 tion, ticketholders, State agencies, entities carrying
21 out such community rehabilitation programs (includ-
22 ing employment networks and nonemployment net-
23 works), protection and advocacy agencies,
24 MAXIMUS, and organizations representing the in-
25 terests of ticketholders.

1 (3) REPORT TO CONGRESS.—Not later than 18
2 months after the date of enactment of this Act, the
3 Comptroller General of the United States shall sub-
4 mit the study conducted pursuant to this subsection
5 to the appropriate committees of Congress.

6 (b) STUDY ON THE ALLOTMENT FORMULA.—

7 (1) IN GENERAL.—The Comptroller General of
8 the United States shall conduct a study on the rela-
9 tionship between the State allotment formula under
10 section 110 of the Rehabilitation Act of 1973 (29
11 U.S.C. 730) and the ability of States to provide vo-
12 cational rehabilitation services in accordance with
13 the States' State plans under section 101 of such
14 Act (29 U.S.C. 721).

15 (2) CONDUCT OF STUDY.—In conducting the
16 study under paragraph (1), the Comptroller General
17 of the United States shall consult with appropriate
18 entities.

19 (3) REPORT TO CONGRESS.—Not later than 12
20 months after the date of enactment of this Act, the
21 Comptroller General of the United States shall sub-
22 mit the study conducted pursuant to this subsection
23 to the appropriate committees of Congress.

1 **Subtitle B—Research and Training**

2 **SEC. 431. DECLARATION OF PURPOSE.**

3 Section 200(3) of the Rehabilitation Act of 1973 (29
4 U.S.C. 760(3)) is amended by inserting “, in a timely and
5 efficient manner,” before “through”.

6 **SEC. 432. AUTHORIZATION OF APPROPRIATIONS.**

7 Section 201(a) of the Rehabilitation Act of 1973 (29
8 U.S.C. 761(a)) is amended—

9 (1) in paragraph (1), by striking “fiscal years
10 1999 through 2003” and inserting “fiscal years
11 2006 through 2011”; and

12 (2) in paragraph (2), by striking “fiscal years
13 1999 through 2003” and inserting “fiscal years
14 2006 through 2011”.

15 **SEC. 433. NATIONAL INSTITUTE ON DISABILITY AND REHA-** 16 **BILITATION RESEARCH.**

17 Section 202 of the Rehabilitation Act of 1973 (29
18 U.S.C. 762) is amended—

19 (1) in subsection (b)—

20 (A) in paragraph (6), by inserting before
21 the semicolon the following: “, including con-
22 vening a national assistive technology summit,
23 to be held at or in conjunction with a national
24 conference relating to assistive technology with
25 respect to all categories of disabilities”; and

1 (B) in paragraph (10), by striking “and
2 telecommuting” and inserting “, supported em-
3 ployment, and telecommuting”;

4 (2) in subsection (f)(1)—

5 (A) by striking “Federal employees” and
6 inserting “Department of Education employ-
7 ees”; and

8 (B) by adding at the end the following:
9 “The peer review panel shall include a director
10 of a designated State unit. It shall include a
11 member of the elementary and secondary edu-
12 cation community (for an activity resulting in
13 educational materials or a product that can be
14 used in an elementary school or secondary
15 school), a member of the business community
16 (for an activity resulting in a product that can
17 be used in a business), assistive technology de-
18 velopers and manufacturers (for an activity re-
19 lating to assistive technology), or information
20 technology vendors and manufacturers (for an
21 activity relating to information technology).”;

22 (3) by redesignating subsections (i), (j), and (k)
23 as subsections (j), (k), and (l), respectively;

24 (4) by inserting after subsection (h) the fol-
25 lowing:

1 “(i)(1) The Director, with the assistance of the Reha-
2 bilitation Research Advisory Council established under
3 section 205, shall assess the extent to which entities that
4 receive financial assistance under this title are complying
5 with the applicable requirements of this Act and of the
6 Americans with Disabilities Act of 1990 (42 U.S.C. 12101
7 et seq.) and achieving measurable goals, described in sec-
8 tion 204(d)(2), that are consistent with the requirements
9 of the programs under which the entities received the fi-
10 nancial assistance.

11 “(2) To assist the Director in carrying out the re-
12 sponsibilities described in paragraph (1), the Director
13 shall require recipients of financial assistance under this
14 title to submit relevant information to evaluate program
15 outcomes with respect to the measurable goals described
16 in section 204(d)(2).”; and

17 (5) by adding at the end the following:

18 “(m)(1) Not later than December 31 of each year,
19 the Secretary shall prepare, and submit to the Secretary,
20 the Committee on Education and the Workforce of the
21 House of Representatives, and the Committee on Health,
22 Education, Labor, and Pensions of the Senate, a report
23 on the activities funded under this title.

24 “(2) Such report shall include—

1 “(A) a compilation and summary of the in-
2 formation provided by recipients of financial as-
3 sistance for such activities under this title; and

4 “(B) a summary of the applications for fi-
5 nancial assistance received under this title and
6 the progress of the recipients of financial assist-
7 ance in achieving the measurable goals de-
8 scribed in section 204(d)(2).

9 “(n)(1) If the Director determines that an entity that
10 receives financial assistance under this title fails to comply
11 substantially with the applicable requirements of this Act
12 and the Americans with Disabilities Act of 1990 (42
13 U.S.C. 12101 et seq.), or to make substantial progress
14 toward achieving the measurable goals described in section
15 204(d)(2), with respect to the covered activities involved,
16 the Director shall assist the entity through technical as-
17 sistance or other means, within 90 days after such deter-
18 mination, to develop a corrective action plan.

19 “(2) If the entity fails to develop and comply with
20 a corrective action plan described in paragraph (1) during
21 a fiscal year, the entity shall be subject to 1 of the fol-
22 lowing corrective actions selected by the Director:

23 “(A) Partial or complete termination of finan-
24 cial assistance for the covered activities, until the en-
25 tity develops and complies with such a plan.

1 “(B) Ineligibility to receive financial assistance
2 for such covered activities for the following year.

3 “(3) The Secretary shall establish appeals procedures
4 for entities described in paragraph (1) that the Secretary
5 determines fail to comply substantially with the applicable
6 requirements of this Act, or to make substantial progress
7 toward achieving the measurable goals.

8 “(4) As part of the annual report required under sub-
9 section (m), the Secretary shall describe each action taken
10 by the Secretary under paragraph (1) or (2) and the out-
11 comes of such action.

12 “(5) The Secretary shall notify the public, by posting
13 on the website of the Department of Education, of each
14 action taken by the Secretary under paragraph (1) or (2).
15 As a part of such notification, the Secretary shall describe
16 each such action and the outcomes of each such action.”.

17 **SEC. 434. INTERAGENCY COMMITTEE.**

18 Section 203 of the Rehabilitation Act of 1973 (29
19 U.S.C. 763) is amended—

20 (1) in subsection (a)(1), by striking “and the
21 Director of the National Science Foundation” and
22 inserting “the Director of the National Science
23 Foundation, the Secretary of Commerce, and the
24 Administrator of the Small Business Administra-
25 tion”; and

1 (2) in subsection (b)(2)—

2 (A) in subparagraph (D), by striking
3 “and” after the semicolon;

4 (B) in subparagraph (E), by striking the
5 period at the end and inserting “; and”; and

6 (C) by adding at the end the following:

7 “(F) conduct a study, on the assistive tech-
8 nology industry, for which the Committee shall—

9 “(i) determine the number of individuals
10 who use assistive technology and the scope of
11 the technologies they use;

12 “(ii) separately identify categories of as-
13 sistive technology companies by the disability
14 group served, and the type of product or service
15 provided, categorized by—

16 “(I) size (small, medium, and large)
17 of the companies;

18 “(II) capitalization of the companies;

19 “(III) region in which the companies
20 are located; and

21 “(IV) products or services produced
22 by the companies;

23 “(iii) compile aggregate data on revenues
24 and unit sales of such companies, including in-
25 formation on international sales, for a recent

1 reporting period, categorized by institution or
2 user type acquiring the products or services,
3 disability for which the products or services are
4 used, and industry segment for the companies;

5 “(iv) identify platform availability and
6 usage, for those products and services that are
7 electronic and information technology-related;

8 “(v) identify the types of clients of the
9 companies, such as government, school, busi-
10 ness, private payor, and charitable clients, and
11 funding sources for the clients; and

12 “(vi) specify geographic segments for the
13 companies, to determine whether there are sig-
14 nificant distinctions in industry opportunities
15 on the basis of geography, other than distinc-
16 tions related to population.”.

17 **SEC. 435. RESEARCH AND OTHER COVERED ACTIVITIES.**

18 Section 204 of the Rehabilitation Act of 1973 (29
19 U.S.C. 764) is amended—

20 (1) in subsection (a)—

21 (A) in paragraph (2)(B)—

22 (i) in clause (vi), by striking “and”
23 after the semicolon;

24 (ii) in clause (vii), by striking the pe-
25 riod at the end and inserting “; and”; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(viii) studies, analyses, and other activities af-
4 fecting employment outcomes, including self-employ-
5 ment and telecommuting, of individuals with disabil-
6 ities.”; and

7 (B) by adding at the end the following:

8 “(3) In carrying out this section, the Director shall
9 emphasize covered activities that are collaborations
10 between—

11 “(A) for-profit companies working in the assist-
12 ive technology, rehabilitative engineering, or infor-
13 mation technology fields; and

14 “(B) States or public or private agencies and
15 organizations.

16 “(4) In carrying out this section, the Director shall
17 emphasize covered activities that include plans for—

18 “(A) dissemination of educational materials, re-
19 search results, or findings, conclusions, and rec-
20 ommendations resulting from covered activities; or

21 “(B) the commercialization of marketable prod-
22 ucts resulting from the covered activities.”;

23 (2) in subsection (b)—

24 (A) in paragraph (1), by striking “(18)”
25 each place it appears and inserting “(19)”;

1 (B) in paragraph (2)—

2 (i) in subparagraph (A)(i), by striking
3 “rehabilitation services or” and inserting
4 “rehabilitation services, developers or pro-
5 viders of assistive technology devices, as-
6 sistive technology services, or information
7 technology devices or services, or providers
8 of” after “rehabilitation services”;

9 (ii) in subparagraph (B)—

10 (I) in clause (i), by inserting
11 “improve the evaluation process for
12 determining the assistive technology
13 needs of individuals with disabil-
14 ities,” after “conditions,”;

15 (II) in clause (ii), by inserting
16 “and assistive technology services” be-
17 fore the semicolon; and

18 (III) in clause (iii), by inserting
19 “, assistive technology services per-
20 sonnel,” before “and other”;

21 (iii) in subparagraph (C)—

22 (I) in clause (i), by inserting “,
23 including research on assistive tech-
24 nology devices, assistive technology
25 services, and accessible electronic and

1 information technology devices” before
2 the semicolon; and

3 (II) in clause (iii), by inserting “,
4 including the use of assistive tech-
5 nology devices and accessible elec-
6 tronic and information technology de-
7 vices in employment” before the semi-
8 colon;

9 (iv) in subparagraph (D), by inserting
10 “, including training to provide knowledge
11 about assistive technology devices, assistive
12 technology services, and accessible elec-
13 tronic and information technology devices
14 and services,” after “personnel”; and

15 (v) in subparagraph (G)(i), by insert-
16 ing “, assistive technology-related, and ac-
17 cessible electronic and information tech-
18 nology-related” before “courses”; and

19 (C) in paragraph (3)—

20 (i) in subparagraph (D)(ii), by adding
21 at the end the following: “Each such Cen-
22 ter conducting activities including the cre-
23 ation of an assistance technology device
24 shall include in the committee representa-
25 tives from the assistive technology industry

1 and accessible electronic and information
2 technology industry. Each such Center
3 conducting activities involving an elemen-
4 tary school or secondary school, or an em-
5 ployer, shall include in the committee a
6 representative of the local educational
7 agency involved, or of the employer, re-
8 spectively.”; and

9 (ii) in subparagraph (G)(ii) by insert-
10 ing “the success of any commercialized
11 product researched or developed through
12 the Center,” after “disabilities,”;

13 (D) in paragraph (8), by inserting “the
14 Department of Commerce, the Small Business
15 Administration,” before “other Federal agen-
16 cies,”;

17 (E) in paragraph (13), in the matter pre-
18 ceding clause (i), by striking “employment
19 needs of individuals with disabilities” and in-
20 serting “employment needs, opportunities, and
21 outcomes, including self-employment, supported
22 employment, and telecommuting needs, oppor-
23 tunities, and outcomes, of individuals with dis-
24 abilities, including older Indians who are indi-
25 viduals with disabilities, and students with dis-

1 abilities who are transitioning from school to
2 postsecondary life, including employment”; and

3 (E) by adding at the end the following:

4 “(19) Research grants may be used to provide for re-
5 search and demonstration projects that—

6 “(A) explore methods and practices for pro-
7 moting access to electronic commerce activities for
8 individuals with disabilities; and

9 “(B) will—

10 “(i) ensure dissemination of research find-
11 ings;

12 “(ii) provide encouragement and support
13 for initiatives and new approaches by companies
14 engaged in electronic commerce activities; and

15 “(iii) result in the establishment and main-
16 tenance of close working relationships between
17 the disability, research, and business commu-
18 nities.”;

19 (3) in subsection (c)(2), by striking “\$500,000”
20 and inserting “\$750,000”; and

21 (4) by adding at the end the following:

22 “(d)(1) In awarding grants, contracts, or other finan-
23 cial assistance under this title, the Director shall award
24 the financial assistance on a competitive basis.

1 “(2)(A) To be eligible to receive financial assistance
2 described in paragraph (1) for a covered activity, an entity
3 shall submit an application to the Director at such time,
4 in such manner, and containing such information as the
5 Director may require.

6 “(B) The application shall include information
7 describing—

8 “(i) measurable goals, and a timeline and spe-
9 cific plan for meeting the goals, that the applicant
10 has set for addressing priorities related to—

11 “(I) commercialization of a marketable
12 product (including a marketable curriculum or
13 research) resulting from the covered activity;

14 “(II) in the case of a covered activity relat-
15 ing to technology, technology transfer;

16 “(III) in the case of research, dissemina-
17 tion of research results to, as applicable, gov-
18 ernment entities, individuals with disabilities,
19 elementary schools and secondary schools, the
20 business community, the assistive technology
21 community, and the accessible electronic and in-
22 formation technology community; and

23 “(IV) other matters as required by the Di-
24 rector; and

1 “(ii) information describing how the applicant
2 will quantifiably measure the goals to determine
3 whether the goals have been accomplished.

4 “(3)(A) In the case of an application for financial as-
5 sistance under this title to carry out a covered activity that
6 results in the development of a marketable product, the
7 application shall also include a commercialization and dis-
8 semination plan, containing commercialization and mar-
9 keting strategies for the product involved, and strategies
10 for disseminating information about the product. The fi-
11 nancial assistance shall not be used to carry out the com-
12 mercialization and marketing strategies.

13 “(B) In the case of any other application for financial
14 assistance to carry out a covered activity under this title,
15 the application shall also include a dissemination plan,
16 containing strategies for disseminating educational mate-
17 rials, research results, or findings, conclusions, and rec-
18 ommendations, resulting from the covered activity.”.

19 **SEC. 436. REHABILITATION RESEARCH ADVISORY COUNCIL.**

20 Section 205 of the Rehabilitation Act of 1973 (29
21 U.S.C. 765) is amended—

22 (1) in subsection (a), by inserting “at least” be-
23 fore “12”; and

24 (2) in subsection (c), by inserting after “reha-
25 bilitation researchers,” the following: “the directors

1 of community rehabilitation programs, the business
2 community (and shall include a representative of the
3 small business community) that has experience with
4 the system of vocational rehabilitation services car-
5 ried out under this Act and with hiring individuals
6 with disabilities, the community of assistive tech-
7 nology developers and manufacturers, the commu-
8 nity of information technology vendors and manufac-
9 turers, the community of entities carrying out pro-
10 grams under the Assistive Technology Act of 1998
11 (29 U.S.C. 3001 et seq.), the community of elemen-
12 tary and secondary education professionals,”.

13 **Subtitle C—Professional Develop-**
14 **ment and Special Projects and**
15 **Demonstrations**

16 **SEC. 441. TRAINING.**

17 Section 302 of the Rehabilitation Act of 1973 (29
18 U.S.C. 772) is amended—

19 (1) in subsection (a)(1)—

20 (A) in subparagraph (F), by striking the
21 “and” after the semicolon;

22 (B) in subparagraph (G), by striking the
23 period at the end and inserting “; and”; and

24 (C) by adding at the end the following:

1 “(H) personnel trained in providing assist-
2 ive technology services.”;

3 (2) in subsection (b)(1)(B)(i), by striking “or
4 prosthetics and orthotics” and inserting “prosthetics
5 and orthotics, rehabilitation teaching for the blind,
6 or orientation and mobility instruction”; and

7 (3) in subsection (i), by striking “fiscal years
8 1999 through 2003” and inserting “fiscal years
9 2006 through 2011”.

10 **SEC. 442. DEMONSTRATION AND TRAINING PROGRAMS.**

11 Section 303 of the Rehabilitation Act of 1973 (29
12 U.S.C. 773) is amended—

13 (1) in subsection (b)(5)(A)(i), by striking “spe-
14 cial projects” and inserting “not less than 2 special
15 projects”;

16 (2) by redesignating subsections (c), (d), and
17 (e) as subsections (f), (g), and (i), respectively;

18 (3) by inserting after subsection (b) the fol-
19 lowing:

20 “(c) DEMONSTRATION PROJECTS FOR EMPLOYMENT
21 OF STUDENTS WITH INTELLECTUAL DISABILITIES OR
22 MENTAL ILLNESS.—

23 “(1) PURPOSE.—The purpose of this subsection
24 is to support model demonstration projects to pro-
25 vide supported and competitive employment experi-

1 ences for students with intellectual disabilities or
2 students with mental illness, and training for per-
3 sonnel that work with students described in this
4 paragraph, to enable the students to gain employ-
5 ment skills and experience that will promote effective
6 transitions from school to postsecondary life, includ-
7 ing employment.

8 “(2) AWARDS AUTHORIZED.—

9 “(A) COMPETITIVE AWARDS AUTHOR-
10 IZED.—The Secretary may award grants, con-
11 tracts, and cooperative agreements, on a com-
12 petitive basis, to eligible organizations described
13 in paragraph (3), to enable the organizations to
14 carry out demonstration projects described in
15 paragraph (1).

16 “(B) DURATION.—The Secretary shall
17 award grants, contracts, and cooperative agree-
18 ments under this subsection for periods of 3 to
19 5 years.

20 “(3) ELIGIBLE ORGANIZATIONS.—To be eligible
21 to receive a grant, contract, or cooperative agree-
22 ment under this subsection, an organization shall—

23 “(A) have expertise in providing employ-
24 ment and support services for individuals with

1 intellectual disabilities or individuals with men-
2 tal illness;

3 “(B) have a proven track record in suc-
4 cessfully running supported employment pro-
5 grams;

6 “(C) provide employment services that are
7 exclusively integrated community-based sup-
8 ported employment services;

9 “(D) have expertise in creating natural
10 supports for employment;

11 “(E) have expertise in providing computer
12 training for the targeted population for the
13 project involved; and

14 “(F) have experience operating mentoring
15 programs for the target population in middle
16 and high schools for at least a decade in diverse
17 communities throughout the Nation.

18 “(4) APPLICATIONS.—Each organization desir-
19 ing to receive a grant, contract, or cooperative agree-
20 ment under this subsection shall submit an applica-
21 tion to the Secretary at such time, in such manner,
22 and including such information as the Secretary may
23 require. Each application shall include—

24 “(A) a description of how the organization
25 plans to carry out the activities authorized in

1 this subsection through a demonstration
2 project;

3 “(B) a description of how the organization
4 will evaluate the project;

5 “(C) a description of how the organization
6 will disseminate information about the activities
7 and the impact of the activities on the lives of
8 students served by the project; and

9 “(D) a description of how the organization
10 will coordinate activities with any other relevant
11 service providers in the locality where the orga-
12 nization is based, including federally supported
13 independent living centers.

14 “(5) AUTHORIZED ACTIVITIES.—An organiza-
15 tion that receives a grant, contract, or cooperative
16 agreement under this subsection shall use the funds
17 made available through the grant, contract, or coop-
18 erative agreement to carry out 1 or more of the fol-
19 lowing activities for individuals, ages 14 through 21,
20 who are students with intellectual disabilities or stu-
21 dents with mental illness:

22 “(A) PROVIDING SUPPORTED AND COM-
23 PETITIVE EMPLOYMENT EXPERIENCES.—The
24 development of innovative and effective sup-
25 ported and competitive employment experiences

1 after school, on weekends, and in the summer,
2 utilizing natural supports that lead to competi-
3 tive high-paying jobs.

4 “(B) PROVIDING TRAINING TO SCHOOL
5 AND TRANSITION PERSONNEL.—The develop-
6 ment and deployment of experts to work with
7 transition programs (including personnel work-
8 ing with students on transition) so that per-
9 sonnel from the programs develop skills needed
10 to train students with intellectual disabilities or
11 students with mental illness to be successful in
12 competitive employment in a range of settings,
13 including office settings. The training shall in-
14 clude training for the personnel in providing in-
15 struction to students in computer skills, office
16 skills, interview etiquette, and appropriate so-
17 cial behavior required for successful long-term
18 employment in professional environments.

19 “(6) AUTHORIZATION OF APPROPRIATIONS.—
20 There are authorized to be appropriated to carry out
21 this subsection \$5,000,000 for fiscal year 2006 and
22 such sums as may be necessary for fiscal years 2007
23 through 2011.

1 “(d) DEMONSTRATION PROJECT FOR EMPLOYMENT
2 OF INDIVIDUALS WHO ARE DEAF AND LOW FUNC-
3 TIONING.—

4 “(1) PURPOSE.—The purpose of this subsection
5 is to support a model demonstration project to pro-
6 vide training and employment and support services
7 for individuals who are deaf and low functioning to
8 enable them to gain employment skills that will allow
9 them to become employed and economically self-suf-
10 ficient.

11 “(2) DEFINITION.—

12 “(A) IN GENERAL.—In this subsection, the
13 term ‘individual who is deaf and low func-
14 tioning’ means an individual who has been deaf
15 from birth or very early childhood, reads at or
16 below the second grade level, has little or no in-
17 telligible speech, and lacks a secondary school
18 diploma or its recognized equivalent.

19 “(B) SECONDARY DISABILITIES.—Such
20 term may include an individual with a sec-
21 ondary disability.

22 “(3) GRANTS AUTHORIZED.—

23 “(A) COMPETITIVE GRANTS AUTHOR-
24 IZED.—The Secretary may award grants to
25 State agencies, other public agencies or organi-

1 zations, or not-for-profit organizations with ex-
2 pertise in providing training and employment
3 and support services for individuals who are
4 deaf and low functioning to support model dem-
5 onstration projects.

6 “(B) DURATION.—Grants under this sub-
7 section shall be awarded for a period not to ex-
8 ceed 5 years.

9 “(4) AUTHORIZED ACTIVITIES.—

10 “(A) DEVELOPING A COMPREHENSIVE
11 TRAINING PROGRAM.—Each grant recipient
12 under this subsection shall develop an innova-
13 tive, comprehensive training program for indi-
14 viduals who are deaf and low functioning that
15 can be implemented at multiple training loca-
16 tions through such means as distance learning
17 and use of advanced technology, as appropriate.
18 Such training program shall be developed to
19 maximize the potential for replication of the
20 program by other training providers.

21 “(B) IMPLEMENTATION.—Each grant re-
22 cipient under this subsection shall implement
23 the comprehensive training program developed
24 under subparagraph (A) as soon as feasible.
25 Such training shall provide instruction on the

1 job and the social skills necessary for successful
2 long-term employment of individuals who are
3 deaf and low functioning.

4 “(C) ESTABLISHING A POST-TRAINING
5 PROGRAM OF EMPLOYMENT AND SUPPORT
6 SERVICES.—Each grant recipient under this
7 subsection shall implement employment and
8 support services to assist individuals who com-
9 plete the training program under subparagraph
10 (A) in securing employment and transitioning
11 to the workplace, for a period of not less than
12 90 days subsequent to placement in the employ-
13 ment.

14 “(5) APPLICATIONS.—Each entity desiring to
15 receive a grant under this subsection for a model
16 demonstration project shall submit an application to
17 the Secretary at such time, in such manner, and ac-
18 companied by such information as the Secretary may
19 require including—

20 “(A) a description of how the applicant
21 plans to address the activities authorized under
22 this subsection;

23 “(B) a description of the evaluation plan
24 to be used in the model demonstration project;

1 “(C) a description of how the applicant will
2 disseminate information about the training pro-
3 gram developed and the results of the project;
4 and

5 “(D) a description of how the entity will
6 coordinate activities with any other relevant
7 service providers or entities providing training
8 and employment and support services for indi-
9 viduals who are deaf and low functioning.

10 “(6) MANDATED EVALUATION AND DISSEMINA-
11 TION ACTIVITIES.—

12 “(A) ANNUAL REPORT.—Not later than 2
13 years after the date on which a grant under
14 this subsection is awarded and annually there-
15 after, the grant recipient shall submit to the
16 Commissioner a report containing information
17 on—

18 “(i) the number of individuals who are
19 participating in the demonstration project
20 funded under this subsection;

21 “(ii) the employment and other skills
22 being taught in the project;

23 “(iii) the number of individuals par-
24 ticipating in the project that are placed in
25 employment;

1 “(iv) the job sites in which those indi-
2 viduals are placed and the type of jobs the
3 individuals are placed in; and

4 “(v) the number of individuals who
5 have dropped out of the project and the
6 reasons for their terminating participation
7 in the project.

8 “(B) EVALUATION OF THE PROJECT.—
9 Each grant recipient under this subsection shall
10 implement the evaluation plan approved in its
11 application for determining the results of the
12 project within the timeframe specified in, and
13 following the provisions of, the approved appli-
14 cation.

15 “(C) PARTICIPANT EVALUATION PROCESS;
16 FINAL EVALUATION.—In the final year of the
17 project, the grant recipient will prepare and
18 submit to the Commissioner a final evaluation
19 report of the results of the model demonstration
20 project containing—

21 “(i) information on—

22 “(I) the number of individuals
23 who participated in the demonstration
24 project;

1 “(II) the number of those indi-
2 viduals that are placed in employ-
3 ment;

4 “(III) the job sites in which those
5 individuals were placed and the type
6 of jobs the individuals were placed in;

7 “(IV) the number of those indi-
8 viduals who have dropped out of the
9 project and the reasons for their ter-
10 minating participation in the project;
11 and

12 “(V) the number of those individ-
13 uals who participated in the project
14 and who remain employed as of 2
15 months prior to the date on which the
16 final report is submitted to the Sec-
17 retary;

18 “(ii) a written analysis of the project,
19 including both the strengths and weak-
20 nesses of the project, to assist other enti-
21 ties in replicating the training program de-
22 veloped through the project; and

23 “(iii) such other information as the
24 Secretary determines appropriate.

1 “(D) DISSEMINATION.—Not later than 5
2 years after the date on which a grant is award-
3 ed under this subsection, the evaluation report
4 containing results of activities funded by such
5 grant shall be disseminated to designated State
6 agencies, school systems providing instruction
7 to students who are individuals who are deaf
8 and low functioning, supported employment
9 providers, postsecondary vocational training
10 programs, employers, the Social Security Ad-
11 ministration, and other interested parties.

12 “(7) AUTHORIZATION OF APPROPRIATIONS.—
13 There are authorized to be appropriated to carry out
14 this subsection, \$5,000,000 for fiscal year 2006 and
15 such sums as may be necessary for each of fiscal
16 years 2007 through 2011.

17 “(e) TRAINING AND TECHNICAL ASSISTANCE CEN-
18 TER TO PROMOTE HIGH-QUALITY EMPLOYMENT OUT-
19 COMES FOR INDIVIDUALS RECEIVING SERVICES FROM
20 DESIGNATED STATE AGENCIES.—

21 “(1) IN GENERAL.—The Commissioner shall
22 award a grant, contract, or cooperative agreement to
23 an entity to support a training and technical assist-
24 ance program that—

1 “(A) responds to State-specific information
2 requests concerning high-quality employment
3 outcomes, from designated State agencies fund-
4 ed under title I, including—

5 “(i) requests for information on the
6 expansion of self-employment, business
7 ownership, and business development op-
8 portunities, and other types of entrepre-
9 neurship opportunities and outcomes for
10 individuals with disabilities;

11 “(ii) requests for information on the
12 expansion and improvement of transition
13 services to facilitate the transition of stu-
14 dents with disabilities from school to post-
15 secondary life, including employment;

16 “(iii) requests for examples of policies,
17 practices, procedures, or regulations, that
18 have enhanced or may enhance access to
19 funding for assistive technology devices
20 and assistive technology services for indi-
21 viduals with disabilities;

22 “(iv) requests for information on ef-
23 fective approaches to enhance informed
24 choice and a consumer-directed State voca-
25 tional rehabilitation system;

1 “(v) requests for assistance developing
2 corrective action plans;

3 “(vi) requests for assistance in devel-
4 oping and implementing effective data col-
5 lection and reporting systems that measure
6 the outcomes of the vocational rehabilita-
7 tion services, and preparing reports for the
8 Commissioner as described in section
9 106(b)(1); and

10 “(vii) requests for information on ef-
11 fective approaches that enhance employ-
12 ment outcomes for individuals with disabil-
13 ities, including conducting outreach and
14 forming partnerships with business and in-
15 dustry; and

16 “(B) provides State-specific, regional, and
17 national training and technical assistance con-
18 cerning vocational rehabilitation services and
19 related information to designated State agen-
20 cies, including—

21 “(i) facilitating onsite and electronic
22 information sharing using state-of-the-art
23 Internet technologies such as real-time on-
24 line discussions, multipoint video confer-
25 encing, and web-based audio/video broad-

1 casts, on emerging topics that affect voca-
2 tional rehabilitation programs authorized
3 under title I;

4 “(ii) coordinating training and data
5 collection efforts with one-stop centers es-
6 tablished under section 121(e) of the
7 Workforce Investment Act of 1998 (29
8 U.S.C. 2841(e)), and providing informa-
9 tion on how the vocational rehabilitation
10 programs authorized under title I can pro-
11 vide technical assistance to the one-stop
12 centers on making programs offered
13 through the centers physically and pro-
14 grammatically accessible to individuals
15 with disabilities;

16 “(iii) sharing evidence-based and
17 promising practices among the vocational
18 rehabilitation programs;

19 “(iv) maintaining an accessible
20 website that includes links to—

21 “(I) the vocational rehabilitation
22 programs;

23 “(II) appropriate Federal depart-
24 ments and agencies, and private asso-
25 ciations;

1 “(III) State assistive technology
2 device and assistive technology service
3 demonstration programs, device loan
4 programs, device reutilization pro-
5 grams, alternative financing systems,
6 or State financing activities, operated
7 through, or independently of, com-
8 prehensive statewide programs of
9 technology-related assistance carried
10 out under section 4 of the Assistive
11 Technology Act of 1998 (29 U.S.C.
12 3003), telework programs, and other
13 programs that provide sources of
14 funding for assistive technology de-
15 vices; and

16 “(IV) various programs, includ-
17 ing programs with tax credits, avail-
18 able to employers for hiring or accom-
19 modating employees who are individ-
20 uals with disabilities;

21 “(v) enhancing employment outcomes
22 for individuals with mental illness and indi-
23 viduals with cognitive disabilities;

24 “(vi) convening experts from the voca-
25 tional rehabilitation programs to discuss

1 and make recommendations with regard to
2 the employment outcomes of individuals
3 with disabilities and national emerging
4 issues of importance to individuals with vo-
5 cational rehabilitation needs;

6 “(vii) enabling the designated State
7 units to provide practical information on
8 effective approaches for business and in-
9 dustry to use in employing individuals with
10 disabilities, including provision of reason-
11 able accommodations;

12 “(viii) providing information on other
13 emerging issues concerning the delivery of
14 publicly funded employment and training
15 services and supports to assist individuals
16 with disabilities to enter the workforce,
17 achieve other outcomes, and become eco-
18 nomically self-sufficient; and

19 “(ix) carrying out such other activities
20 as the Secretary may require.

21 “(2) ELIGIBLE ENTITIES.—To be eligible to re-
22 ceive a grant, contract, or cooperative agreement
23 under this subsection, an entity shall have (or agree
24 to award a grant or contract to an entity that
25 has)—

1 “(A) experience and expertise in admin-
2 istering vocational rehabilitation services;

3 “(B) documented experience with and
4 knowledge about self-employment, business
5 ownership, business development, and other
6 types of entrepreneurship opportunities and
7 outcomes for individuals with disabilities, pro-
8 viding transition services for students with dis-
9 abilities, and assistive technology; and

10 “(C) the expertise necessary to identify the
11 additional data elements needed to provide com-
12 prehensive reporting of activities and outcomes
13 of the vocational rehabilitation programs au-
14 thorized under title I, and experience in uti-
15 lizing data to provide annual reports.

16 “(3) COLLABORATION.—In developing and pro-
17 viding training and technical assistance under this
18 subsection, a recipient of a grant, contract, or coop-
19 erative agreement under this subsection shall col-
20 laborate with other organizations, in particular—

21 “(A) agencies carrying out vocational reha-
22 bilitation programs under title I and national
23 organizations representing such programs;

24 “(B) organizations representing individuals
25 with disabilities;

1 “(C) organizations representing State offi-
2 cials and agencies engaged in the delivery of as-
3 sistive technology;

4 “(D) relevant employees from Federal de-
5 partments and agencies, other than the Depart-
6 ment of Education;

7 “(E) representatives of businesses;

8 “(F) individuals with disabilities who use
9 assistive technology and understand the bar-
10 riers to the acquisition of such technology and
11 assistive technology services; and

12 “(G) family members, guardians, advo-
13 cates, and authorized representatives of such
14 individuals.”;

15 (4) by inserting after subsection (g), as redesign-
16 nated by paragraph (2), the following:

17 “(h) ACCESS TO TELEWORK.—

18 “(1) DEFINITION OF TELEWORK.—In this sub-
19 section, the term ‘telework’ means work from home
20 and other telework sites with the assistance of a
21 computer and with reasonable accommodations, in-
22 cluding the necessary equipment to facilitate suc-
23 cessful work from home and other telework sites.

24 “(2) AUTHORIZATION OF PROGRAM.—The Com-
25 missioner is authorized to make grants to States and

1 governing bodies of Indian tribes located on Federal
2 and State reservations (and consortia of such gov-
3 erning bodies) to pay for the Federal share of the
4 cost of establishing or expanding a telework pro-
5 gram.

6 “(3) APPLICATION.—A State or Indian tribe
7 that desires to receive a grant under this subsection
8 shall submit an application to the Commissioner at
9 such time, in such manner, and containing such in-
10 formation as the Commissioner may require.

11 “(4) USE OF FUNDS.—

12 “(A) IN GENERAL.—A State or Indian
13 tribe that receives a grant under this subsection
14 shall establish or expand a telework program
15 that shall provide assistance through loans or
16 other alternative financing mechanisms to indi-
17 viduals with disabilities. The State or Indian
18 tribe shall provide the assistance through the
19 program to enable such individuals to purchase
20 computers or other equipment, including adapt-
21 ive equipment, to facilitate access to employ-
22 ment and enhance employment outcomes by
23 providing the individual with the opportunity—

1 “(i) to work from home or other
2 telework sites so that such individuals are
3 able to telework; or

4 “(ii) to become self-employed on a
5 full-time or part-time basis from home or
6 other telework sites.

7 “(B) DEVELOPMENT OF TELEWORK OP-
8 PORTUNITIES AND BUSINESS PLANS.—A State
9 or Indian tribe that receives a grant under this
10 subsection may use not more than 10 percent
11 of the grant award to develop telework opportu-
12 nities with employers and assist in the develop-
13 ment of business plans for individuals with dis-
14 abilities interested in self-employment, before
15 such individuals apply for assistance through
16 the telework program.

17 “(C) SELF EMPLOYMENT.—A State or In-
18 dian tribe that receives a grant under this sub-
19 section shall enter into cooperative agreements
20 with small business development centers for the
21 development of business plans as described in
22 section 103(a)(13) for individuals described in
23 subparagraph (B), and provide assurances that
24 the State or Indian tribe will, through plans to
25 achieve self-support, vocational rehabilitation

1 services, or other means, identify ways for the
2 individuals described in subparagraph (B) to
3 pay for the development of business plans, be-
4 fore such individuals apply for assistance
5 through the telework program.

6 “(D) DEFINITIONS.—In this paragraph:

7 “(i) PLAN TO ACHIEVE SELF-SUP-
8 PORT.—The term ‘plan to achieve self-sup-
9 port’ means a plan described in sections
10 416.1180 through 416.1182 of title 20,
11 Code of Federal Regulations (or any cor-
12 responding similar regulation or ruling).

13 “(ii) SMALL BUSINESS DEVELOPMENT
14 CENTER.—The term ‘small business devel-
15 opment center’ means a center established
16 under section 21 of the Small Business Act
17 (15 U.S.C. 648).

18 “(5) FEDERAL SHARE.—The Federal share of
19 the cost of establishing or expanding a telework pro-
20 gram under this section shall be 10 percent of the
21 cost.

22 “(6) EXISTING GRANT RECIPIENTS.—An entity
23 that receives a grant under the Access to Telework
24 Fund Program under subsection (b) for a fiscal year
25 may use the funds made available through that

1 grant for that fiscal year in accordance with this
2 subsection rather than subsection (b).

3 “(7) ANNUAL REPORT.—

4 “(A) IN GENERAL.—A State or Indian
5 tribe that receives a grant under this subsection
6 shall prepare and submit an annual report to
7 the Commissioner.

8 “(B) CONTENTS.—The report under sub-
9 paragraph (A) shall include the following:

10 “(i) Information on the characteristics
11 of each individual with a disability that re-
12 ceives assistance through a loan or other
13 alternative financing mechanism under the
14 program, including information about the
15 individual such as the following:

16 “(I) Age.

17 “(II) Ethnicity.

18 “(III) Employment status at the
19 time of application for assistance
20 through a loan or other alternative fi-
21 nancing mechanism under this sub-
22 section.

23 “(IV) Whether the individual at-
24 tempted to secure financial support
25 from other sources to enable the indi-

1 vidual to telework and, if so, a de-
2 scription of such sources.

3 “(V) Whether the individual is
4 working and, if so, whether the indi-
5 vidual teleworks, the occupation in
6 which the individual is working, the
7 hourly salary the individual receives,
8 and the hourly salary of the individual
9 prior to receiving assistance through a
10 loan or other alternative financing
11 mechanism under the program.

12 “(VI) Whether the individual has
13 repaid assistance from the loan or
14 other alternative financing mechanism
15 received under the program, is in re-
16 payment status, is delinquent on re-
17 payments, or has defaulted on the as-
18 sistance from the loan or other alter-
19 native financing mechanism.

20 “(ii) An analysis of the individuals
21 with disabilities that have benefited from
22 the program.

23 “(iii) Any other information that the
24 Commissioner may require.”; and

1 (5) in subsection (i), as redesignated by para-
2 graph (2)—

3 (A) by striking “this section” and inserting
4 “this section (other than subsections (c) and
5 (d))”; and

6 (B) by striking “fiscal years 1999 through
7 2003” and inserting “fiscal years 2006 through
8 2011”.

9 **SEC. 443. MIGRANT AND SEASONAL FARMWORKERS.**

10 Section 304(b) of the Rehabilitation Act of 1973 (29
11 U.S.C. 774(b)) is amended by striking “fiscal years 1999
12 through 2003” and inserting “fiscal years 2006 through
13 2011”.

14 **SEC. 444. RECREATIONAL PROGRAMS.**

15 Section 305 of the Rehabilitation Act of 1973 (29
16 U.S.C. 775) is amended—

17 (1) in subsection (a)(1)(B), by striking “con-
18 struction of facilities for aquatic rehabilitation ther-
19 apy,”; and

20 (2) in subsection (b), by striking “fiscal years
21 1999 through 2003” and inserting “fiscal years
22 2006 through 2011”.

1 **Subtitle D—National Council on**
2 **Disability**

3 **SEC. 451. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 405 of the Rehabilitation Act of 1973 (29
5 U.S.C. 785) is amended by striking “fiscal years 1999
6 through 2003” and inserting “fiscal years 2006 through
7 2011”.

8 **Subtitle E—Rights and Advocacy**

9 **SEC. 461. ARCHITECTURAL AND TRANSPORTATION BAR-**
10 **RIERS COMPLIANCE BOARD.**

11 Section 502(j) of the Rehabilitation Act of 1973 (29
12 U.S.C. 792(j)) is amended by striking “fiscal years 1999
13 through 2003” and inserting “fiscal years 2006 through
14 2011”.

15 **SEC. 462. PROTECTION AND ADVOCACY OF INDIVIDUAL**
16 **RIGHTS.**

17 Section 509 of the Rehabilitation Act of 1973 (29
18 U.S.C. 794e) is amended—

19 (1) in subsection (c)(1)(A), by inserting “a
20 grant for” after “to provide”;

21 (2) in subsection (g)(2), by striking “was paid”
22 and inserting “was paid, except that program in-
23 come generated from the amount paid to an eligible
24 system shall remain available to such system until
25 expended”; and

1 (3) in subsection (l), by striking “fiscal years
2 1999 through 2003” and inserting “fiscal years
3 2006 through 2011”.

4 **Subtitle F—Employment Opportu-**
5 **nities for Individuals With Dis-**
6 **abilities**

7 **SEC. 471. PROJECTS WITH INDUSTRY.**

8 Section 611(a) of the Rehabilitation Act of 1973 (29
9 U.S.C. 795(a)) is amended—

10 (1) in paragraph (1), by inserting “, locally and
11 nationally” before the period at the end; and

12 (2) in paragraph (2)—

13 (A) in the matter preceding subparagraph
14 (A), by inserting “local and national” before
15 “Projects With Industry”; and

16 (B) in subparagraph (A)—

17 (i) in clause (iii), by striking “and”
18 after the semicolon;

19 (ii) in clause (iv), by inserting “and”
20 after the semicolon; and

21 (iii) by adding at the end the fol-
22 lowing:

23 “(v) coordinate activities with the Job
24 Corps center industry councils established

1 under section 154 of the Workforce Investment
2 Act of 1998 (29 U.S.C. 2894);”.

3 **SEC. 472. PROJECTS WITH INDUSTRY AUTHORIZATION OF**
4 **APPROPRIATIONS.**

5 Section 612 of the Rehabilitation Act of 1973 (29
6 U.S.C. 795a) is amended by striking “fiscal years 1999
7 through 2003” and inserting “fiscal years 2006 through
8 2011”.

9 **SEC. 473. SERVICES FOR INDIVIDUALS WITH SIGNIFICANT**
10 **DISABILITIES AUTHORIZATION OF APPRO-**
11 **PRIATIONS.**

12 Section 628 of the Rehabilitation Act of 1973 (29
13 U.S.C. 795n) is amended by striking “fiscal years 1999
14 through 2003” and inserting “fiscal years 2006 through
15 2011”.

16 **Subtitle G—Independent Living**
17 **Services and Centers for Inde-**
18 **pendent Living**

19 **SEC. 481. STATE PLAN.**

20 Section 704 of the Rehabilitation Act of 1973 (42
21 U.S.C. 795c) is amended by adding at the end the fol-
22 lowing:

23 “(o) PROMOTING FULL ACCESS TO COMMUNITY
24 LIFE.—

1 “(1) IN GENERAL.—The plan shall describe
2 how the State will provide independent living serv-
3 ices that promote full access to community life for
4 individuals with significant disabilities.

5 “(2) SERVICES.—The services shall include, as
6 appropriate—

7 “(A) facilitating transitions of—

8 “(i) youth who are individuals with
9 significant disabilities and have completed
10 individualized education programs under
11 section 614(d) of the Individuals with Dis-
12 abilities Education Act (20 U.S.C.
13 1414(d)) to postsecondary life, including
14 employment; and

15 “(ii) individuals with significant dis-
16 abilities from nursing homes and other in-
17 stitutions, including institutions serving in-
18 dividuals with cognitive disabilities, to com-
19 munity-based residences;

20 “(B) assisting individuals with significant
21 disabilities at risk of entering institutions to re-
22 main in the community; and

23 “(C) promoting home ownership among in-
24 dividuals with significant disabilities.”.

1 **SEC. 482. STATEWIDE INDEPENDENT LIVING COUNCIL.**

2 Section 705(b) of the Rehabilitation Act of 1973 (29
3 U.S.C. 796d(b)) is amended—

4 (1) in paragraph (2), by striking subparagraph
5 (C) and inserting the following:

6 “(C) in a State in which 1 or more
7 projects provide services under section 121, not
8 less than 1 representative of the directors of the
9 projects.”; and

10 (2) by striking paragraph (5) and inserting the
11 following:

12 “(5) CHAIRPERSON.—The Council shall select a
13 chairperson from among the voting membership of
14 the Council.”.

15 **SEC. 483. INDEPENDENT LIVING SERVICES AUTHORIZA-**
16 **TION OF APPROPRIATIONS.**

17 Section 714 of the Rehabilitation Act of 1973 (29
18 U.S.C. 796e–3) is amended by striking “fiscal years 1999
19 through 2003” and inserting “fiscal years 2006 through
20 2011”.

21 **SEC. 484. PROGRAM AUTHORIZATION.**

22 Section 721 of the Rehabilitation Act of 1973 (42
23 U.S.C. 796f) is amended—

24 (1) by striking subsection (c) and inserting the
25 following:

26 “(c) ALLOTMENTS TO STATES.—

1 “(1) DEFINITIONS.—In this subsection:

2 “(A) ADDITIONAL APPROPRIATION.—The
3 term ‘additional appropriation’ means the
4 amount (if any) by which the appropriation for
5 a fiscal year exceeds the total of—

6 “(i) the amount reserved under sub-
7 section (b) for that fiscal year; and

8 “(ii) the appropriation for fiscal year
9 2003.

10 “(B) APPROPRIATION.—The term ‘appro-
11 priation’ means the amount appropriated to
12 carry out this part.

13 “(C) BASE APPROPRIATION.—The term
14 ‘base appropriation’ means the portion of the
15 appropriation for a fiscal year that is equal to
16 the lesser of—

17 “(i) an amount equal to 100 percent
18 of the appropriation, minus the amount re-
19 served under subsection (b) for that fiscal
20 year; or

21 “(ii) the appropriation for fiscal year
22 2003.

23 “(2) ALLOTMENTS TO STATES FROM BASE AP-
24 PROPRIATION.—After the reservation required by
25 subsection (b) has been made, the Commissioner

1 shall allot to each State whose State plan has been
2 approved under section 706 an amount that bears
3 the same ratio to the base appropriation as the
4 amount the State received under this subsection for
5 fiscal year 2003 bears to the total amount that all
6 States received under this subsection for fiscal year
7 2003.

8 “(3) ALLOTMENTS TO STATES OF ADDITIONAL
9 APPROPRIATION.—From any additional appropria-
10 tion for each fiscal year, the Commissioner shall
11 allot to each State whose State plan has been ap-
12 proved under section 706 an amount equal to the
13 sum of—

14 “(A) an amount that bears the same ratio
15 to 50 percent of the additional appropriation as
16 the population of the State bears to the popu-
17 lation of all States; and

18 “(B) $\frac{1}{56}$ of 50 percent of the additional
19 appropriation.”; and

20 (2) by adding at the end the following:

21 “(e) CARRYOVER AUTHORITY.—Notwithstanding any
22 other provision of law—

23 “(1) any funds appropriated for a fiscal year to
24 carry out a grant program under section 722 or
25 723, that are not obligated and expended by recipi-

1 ents prior to the beginning of the succeeding fiscal
2 year shall remain available for obligation and ex-
3 penditure by such recipients during that succeeding
4 fiscal year and the subsequent fiscal year; and

5 “(2) any amounts of program income received
6 by recipients under a grant program under section
7 722 or 723 in a fiscal year, that are not obligated
8 and expended by recipients prior to the beginning of
9 the succeeding fiscal year, shall remain available for
10 obligation and expenditure by such recipients during
11 that succeeding fiscal year and the subsequent fiscal
12 year.”.

13 **SEC. 485. GRANTS TO CENTERS FOR INDEPENDENT LIVING**
14 **IN STATES IN WHICH FEDERAL FUNDING EX-**
15 **CEEDS STATE FUNDING.**

16 Section 722(c) of the Rehabilitation Act of 1973 (29
17 U.S.C. 796f–1(c)) is amended—

18 (1) by striking “grants” and inserting “grants
19 for a fiscal year”; and

20 (2) by striking “by September 30, 1997” and
21 inserting “for the preceding fiscal year”.

1 **SEC. 486. GRANTS TO CENTERS FOR INDEPENDENT LIVING**
2 **IN STATES IN WHICH STATE FUNDING**
3 **EQUALS OR EXCEEDS FEDERAL FUNDING.**

4 Section 723(c) of the Rehabilitation Act of 1973 (29
5 U.S.C. 796f–2(c)) is amended—

6 (1) by striking “grants” and inserting “grants
7 for a fiscal year”; and

8 (2) by striking “by September 30, 1997” and
9 inserting “for the preceding fiscal year”.

10 **SEC. 487. STANDARDS AND ASSURANCES FOR CENTERS**
11 **FOR INDEPENDENT LIVING.**

12 Section 725(b) of the Rehabilitation Act of 1973 (29
13 U.S.C. 796f–4(b)) is amended by adding at the end the
14 following:

15 “(8) PROMOTING FULL ACCESS TO COMMUNITY
16 LIFE.—

17 “(A) IN GENERAL.—The center shall pro-
18 vide independent living services that promote
19 full access to community life for individuals
20 with significant disabilities.

21 “(B) SERVICES.—The services shall in-
22 clude, as appropriate—

23 “(i) facilitating transitions of—

24 “(I) youth who are individuals
25 with significant disabilities and have
26 completed individualized education

1 programs under section 614(d) of the
2 Individuals with Disabilities Edu-
3 cation Act (20 U.S.C. 1414(d)) to
4 postsecondary life, including employ-
5 ment; and

6 “(II) individuals with significant
7 disabilities from nursing homes and
8 other institutions, including institu-
9 tions serving individuals with cognitive
10 disabilities, to community-based resi-
11 dences;

12 “(ii) assisting individuals with signifi-
13 cant disabilities at risk of entering institu-
14 tions to remain in the community; and

15 “(iii) promoting home ownership
16 among individuals with significant disabil-
17 ities.”.

18 **SEC. 488. CENTERS FOR INDEPENDENT LIVING AUTHORIZA-**
19 **TION OF APPROPRIATIONS.**

20 Section 727 of the Rehabilitation Act of 1973 (29
21 U.S.C. 796f–6) is amended by striking “fiscal years 1999
22 through 2003” and inserting “fiscal years 2006 through
23 2011”.

1 **SEC. 489. INDEPENDENT LIVING SERVICES FOR OLDER IN-**
2 **DIVIDUALS WHO ARE BLIND.**

3 Chapter 2 of title VII of the Rehabilitation Act of
4 1973 (29 U.S.C. 796j et seq.) is amended—

5 (1) by redesignating sections 752 and 753 as
6 sections 753 and 754, respectively; and

7 (2) by inserting after section 751 the following:

8 **“SEC. 752. TRAINING AND TECHNICAL ASSISTANCE.**

9 “(a) GRANTS; CONTRACTS; OTHER ARRANGE-
10 MENTS.—For any fiscal year for which the funds appro-
11 priated to carry out this chapter exceed the funds appro-
12 priated to carry out this chapter for fiscal year 2003, the
13 Commissioner shall first reserve from such excess, to pro-
14 vide training and technical assistance to designated State
15 agencies for such fiscal year, not less than 1.8 percent,
16 and not more than 2 percent, of the funds appropriated
17 to carry out this chapter for the fiscal year involved.

18 “(b) ALLOCATION.—From the funds reserved under
19 subsection (a), the Commissioner shall make grants to,
20 and enter into contracts and other arrangements with, en-
21 tities that demonstrate expertise in the provision of serv-
22 ices to older individuals who are blind to provide training
23 and technical assistance with respect to planning, devel-
24 oping, conducting, administering, and evaluating inde-
25 pendent living programs for older individuals who are
26 blind.

1 “(c) FUNDING PRIORITIES.—The Commissioner shall
2 conduct a survey of designated State agencies that receive
3 grants under section 753 regarding training and technical
4 assistance needs in order to determine funding priorities
5 for grants, contracts, and other arrangements under this
6 section.

7 “(d) REVIEW.—To be eligible to receive a grant or
8 enter into a contract or other arrangement under this sec-
9 tion, an entity shall submit an application to the Commis-
10 sioner at such time, in such manner, containing a proposal
11 to provide such training and technical assistance, and con-
12 taining such additional information as the Commissioner
13 may require.

14 “(e) PROHIBITION ON COMBINED FUNDS.—No funds
15 reserved by the Commissioner under this section may be
16 combined with funds appropriated under any other Act or
17 part of this Act if the purpose of combining funds is to
18 make a single discretionary grant or a single discretionary
19 payment, unless such reserved funds are separately identi-
20 fied in the agreement for such grant or payment and are
21 used for the purposes of this chapter.”.

22 **SEC. 490. PROGRAM OF GRANTS.**

23 Section 753 of the Rehabilitation Act of 1973, as re-
24 designated by section 489, is amended—

25 (1) by striking subsection (h);

- 1 (2) by redesignating subsections (i) and (j) as
2 subsections (h) and (i), respectively;
- 3 (3) in subsection (b), by striking “section 753”
4 and inserting “section 754”;
- 5 (4) in subsection (c)—
- 6 (A) in paragraph (1), by striking “section
7 753” and inserting “section 754”; and
- 8 (B) in paragraph (2)—
- 9 (i) by striking “subsection (j)” and in-
10 serting “subsection (i)”; and
- 11 (ii) by striking “subsection (i)” and
12 inserting “subsection (h)”;
- 13 (5) in subsection (g), by inserting “, or con-
14 tracts with,” after “grants to”;
- 15 (6) in subsection (h), as redesignated by para-
16 graph (2)—
- 17 (A) in paragraph (1), by striking “sub-
18 section (j)(4)” and inserting “subsection
19 (i)(4)”; and
- 20 (B) in paragraph (2)—
- 21 (i) in subparagraph (A)(vi), by adding
22 “and” after the semicolon;
- 23 (ii) in subparagraph (B)(ii)(III), by
24 striking “; and” and inserting a period;
25 and

1 (iii) by striking subparagraph (C);

2 and

3 (7) in subsection (i), as redesignated by para-
4 graph (2)—

5 (A) by striking paragraph (2) and insert-
6 ing the following:

7 “(2) MINIMUM ALLOTMENT.—

8 “(A) STATES.—In the case of any of the
9 several States, the District of Columbia, or the
10 Commonwealth of Puerto Rico, the amount re-
11 ferred to in paragraph (1)(A) for a fiscal year
12 is the greater of—

13 “(i) \$350,000;

14 “(ii) an amount equal to the amount
15 the State, the District of Columbia, or the
16 Commonwealth of Puerto Rico received to
17 carry out this chapter for fiscal year 2003;
18 or

19 “(iii) an amount equal to $\frac{1}{3}$ of 1 per-
20 cent of the amount appropriated under sec-
21 tion 754, and not reserved under section
22 752, for the fiscal year and available for
23 allotments under subsection (a).

24 “(B) CERTAIN TERRITORIES.—In the case
25 of Guam, American Samoa, the United States

1 Virgin Islands, or the Commonwealth of the
2 Northern Mariana Islands, the amount referred
3 to in paragraph (1)(A) for a fiscal year is
4 \$60,000.”;

5 (B) in paragraph (3)(A), by striking “sec-
6 tion 753” and inserting “section 754, and not
7 reserved under section 752,”; and

8 (C) in paragraph (4)(B)(i), by striking
9 “subsection (i)” and inserting “subsection (h)”.

10 **SEC. 491. INDEPENDENT LIVING SERVICES FOR OLDER IN-**
11 **DIVIDUALS WHO ARE BLIND AUTHORIZATION**
12 **OF APPROPRIATIONS.**

13 Section 754 of the Rehabilitation Act of 1973, as re-
14 designated by section 489, is amended by striking “fiscal
15 years 1999 through 2003” and inserting “fiscal years
16 2006 through 2011”.

17 **Subtitle H—Miscellaneous**

18 **SEC. 495. HELEN KELLER NATIONAL CENTER ACT.**

19 (a) GENERAL AUTHORIZATION OF APPROPRIA-
20 TIONS.—The first sentence of section 205(a) of the Helen
21 Keller National Center Act (29 U.S.C. 1904(a)) is amend-
22 ed by striking “1999 through 2003” and inserting “2006
23 through 2011”.

24 (b) HELEN KELLER NATIONAL CENTER FEDERAL
25 ENDOWMENT FUND.—The first sentence of section

1 208(h) of the Helen Keller National Center Act (29
2 U.S.C. 1907(h)) is amended by striking “1999 through
3 2003” and inserting “2006 through 2011”.

4 **SEC. 496. RANDOLPH-SHEPPARD ACT.**

5 The Randolph-Sheppard Act (20 U.S.C. 107 et seq.)
6 is amended—

7 (1) by redesignating sections 9, 10, and 11, as
8 sections 10, 11, and 12, respectively; and

9 (2) by inserting after section 8 the following:

10 **“SEC. 9. TRAINING PROGRAMS FOR INDIVIDUALS OTHER**
11 **THAN BLIND PERSONS.**

12 “(a) **ELIGIBILITY.**—An individual who has an indi-
13 vidualized plan for employment under section 102 of the
14 Rehabilitation Act of 1973 (29 U.S.C. 722) and has cho-
15 sen self-employment as the individual’s employment out-
16 come shall be eligible to participate in a training program
17 described in section 395.11 of title 34, Code of Federal
18 Regulations, or a similar training program provided pur-
19 suant to this Act, including a training program that pro-
20 vides for—

21 “(1) personal and vocational adjustment;

22 “(2) books, tools, and other training materials;

23 and

24 “(3) on-the-job training or upward mobility
25 training.

1 “(b) NO OTHER BENEFIT.—Except as otherwise pro-
2 vided in this Act, an individual who is eligible under sub-
3 section (a) who is not a blind person shall not be eligible
4 to receive other assistance or benefits provided under this
5 Act.

6 “(c) PRIORITY FOR BLIND PERSONS.—An individual
7 who is a blind person shall be given priority for participa-
8 tion in a training program described in subsection (a)

9 “(d) SELECTION OF OTHER INDIVIDUALS.—The Sec-
10 retary shall issue guidelines specifying the manner in
11 which individuals who are not blind persons will be se-
12 lected for participation in such a training program.”.

13 **TITLE V—TRANSITION AND** 14 **EFFECTIVE DATE**

15 **SEC. 501. TRANSITION PROVISIONS.**

16 The Secretary of Labor shall, at the discretion of the
17 Secretary, take such actions as the Secretary determines
18 to be appropriate to provide for the orderly implementa-
19 tion of titles I and III of this Act. The Secretary of Edu-
20 cation shall, at the discretion of the Secretary, take such
21 actions as the Secretary determines to be appropriate to
22 provide for the orderly implementation of titles II and IV
23 of this Act.

1 **SEC. 502. EFFECTIVE DATE.**

2 Except as otherwise provided in this Act, this Act and
3 the amendments made by this Act shall take effect on the
4 date of enactment of this Act.